



ڈاکٹر زکیر حسین لائبریری

DR. ZAKIR HUSAIN LIBRARY

JAMIA MILLIA ISLAMIA

JAMIA NAGAR

NEW DELHI

Please examine the books before taking it out. You will be responsible for damages to the book discovered while returning it.





V.11  
**JANUARY 1955**

**1 FEB 1955**

**NOTES OF THE MONTH**

**Territorial Waters and the Onassis Case; The Saar Convention;  
Differences in Interpretation; Japan after the Fall of Mr Yoshida;  
The Economic Crisis in Brazil**

**THE RUSSO-YUGOSLAV DETENTE**

**BRITAIN AND THE EUROPEAN CONTINENT**

**THE 'NEW LINE' IN HUNGARY**

**Politics and Economics under the Nagy Government**

**PAKISTAN: THE SCENE TODAY**





THE  
LONDON &  
LANCASHIRE

INSURANCE CO.

L.D.

## AN ESSAY ON RACIAL TENSION

By PHILIP MASON

*Director of Studies on Race Relations  
at Chatham House*

"The two great merits of Mr Mason's lucid little study are its detachment and its tolerance. . . . As a starting-point for further study, it could scarcely be bettered"—*Time & Tide*.

Price 8s. 6d. net

(\$1.75)

ROYAL INSTITUTE OF INTERNATIONAL AFFAIRS

London: Chatham House, St James's Square, S.W.1

New York: 345 East 46th Street, New York 17, N.Y.

# THE WORLD TODAY

Volume 11 No. 1 January 1955

## CONTENTS

NOTES OF THE MONTH . . . . .	
THE RUSSO-YUGOSLAV DETENTE . . . . .	10
BRITAIN AND THE EUROPEAN CONTINENT . . . . .	20
THE 'NEW LINE' IN HUNGARY . . . . .	27
Politics and Economics under the Nagy Government	
PAKISTAN: THE SCENE TODAY . . . . .	40

---

founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Athlone House, 10 St James's Square, London, S.W.1.

Telephone: Whitehall 2233

Editor of *The World Today*: MURIEL GRINDROD

### ANNUAL SUBSCRIPTION RATES including postage inland and overseas

THE WORLD TODAY (12 issues a year)	25s.
CHRONOLOGY OF INTERNATIONAL EVENTS (24 issues a year and index)	25s.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

*The Royal Institute of International Affairs is an unofficial and non-political body, founded in 1920 to encourage and facilitate the scientific study of international questions. The Institute is precluded by the terms of its Royal Charter from expressing an opinion on any aspect of international affairs. Any views expressed in this publication are, therefore, purely individual.*

.....

*From the Government Bookshops*

## **Overseas Economic Surveys**

A popular series designed to help the British businessman assess the potentialities of overseas markets. All commercial and economic fields are covered and full information is given on types of goods in demand, developments in production and other factors likely to affect the export trade of the United Kingdom.

*Recent issues include:*

CUBA (June 1954)	4s. 6d. (by post 4s. 9d. )
NICARAGUA (June 1954)	1s. 6d. (by post 1s. 7½d.)
SWEDEN (December 1953)	6s. 6d. (by post 6s. 10d.)
UNION OF SOUTH AFRICA (December 1953)	4s. 6d. (by post 4s. 9d.)
URUGUAY (May 1954)	3s. 6d. (by post 3s. 8d.)

### **HER MAJESTY'S STATIONERY OFFICE**

York House, Kingsway, London, W.C 2, 423 Oxford Street, London W.1 (Post Orders, P O Box 569, London, S E 1), 13a Castle Street, Edinburgh 2, 39 King Street, Manchester 2, 2 Edmund Street Birmingham 3, 109 St Mary Street, Cardiff, Tower Lane, Bristol 1, 80 Chichester Street, Belfast, or through any bookseller.

.....

## **Contemporary Review**

INCORPORATING THE FORTNIGHTLY

*Contents for the January issue include:*

- THE WHITE MAN'S HOUR OF FATE by Dr Stern-Rubarth  
THE UNITED STATES OF EUROPE by Professor Giorgio del Vecchio  
SPAIN IN 1954 by Bela Manczer  
GREECE IN 1954 by Axel Heyst  
AN AUSTRIAN DIARY ON THE FIRST WORLD WAR by Dr Ernst Benedikt  
MADAME DE POMPADOUR by Dr G. P. Gooch, C.H.  
DOCTOR ALBERT SCHWEITZER AT EIGHTY by C. Gell  
SEVEN YEARS OF INDIAN INDEPENDENCE by Dr Banerjee  
PAKISTAN IN CRISIS by Bernard Llewellyn  
DOROTHY WORDSWORTH: A CENTENARY by H. Duffin

**TWO FAMOUS REVIEWS AMALGAMATED.** With this first issue of 1955 The Fortnightly has been amalgamated with the Contemporary Review under the editorship of Dr G. P. Gooch, C.H., F.B.A.

The Contemporary Review is published monthly at 3s. 6d.

Annual subscription £2 5s. od. post free

Send 2s. od for the current issue on the publisher

# THE WORLD TODAY

Volume 11    No. 2    February 1955

## CONTENTS

NOTES OF THE MONTH . . . . .	47
CHANGE OF LEADERSHIP IN EGYPT . . . . .	51
AMERICA'S 'ENTANGLING ALLIANCE' WITH FORMOSA . . . . .	61
THE NINTH ASSEMBLY OF THE UNITED NATIONS . . . . .	71
THE NATURE OF U.S. FOREIGN ECONOMIC POLICY . . . . .	83

---

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.

Telephone: Whitehall 2233

Editor of *The World Today*: MURIEL GRINDROD

### ANNUAL SUBSCRIPTION RATES

*including postage inland and overseas*

THE WORLD TODAY (12 issues a year) 25s.

CHRONOLOGY OF INTERNATIONAL EVENTS  
(24 issues a year and index) 25s.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

*The Royal Institute of International Affairs is an unofficial and non-political body, founded in 1920 to encourage and facilitate the scientific study of international questions. The Institute is precluded by the terms of its Royal Charter from expressing an opinion on any aspect of international affairs. Any views expressed in this publication are, therefore, purely individual.*

# THE PROSPECTS FOR COMMUNIST CHINA

by

**W. W. ROSTOW**

*Professor of Economic History and Director of the China Project  
at the Centre of International Studies, Massachusetts Institute  
of Technology*

*In collaboration with*

**Richard W. Hatch   Frank A. Kierman Jr   A. Eckstein**

The main attraction of this work is that it deals with several aspects of the Chinese problem at once. It contains chapters on the background of Chinese society, and on the development of the Communist party; but it concentrates on recent developments and prospects. It has also the advantage of dealing with both the economic and political aspect and it includes a valuable section on Sino-Soviet relations. In its scope, therefore, it is a unique book. There have been several good studies on some of the subjects covered, but this is the first comprehensive book.

40s. net.

---

**CHAPMAN & HALL**

---

*To keep abreast of current trends in national and international affairs  
read the authoritative articles in*

## **Contemporary Review**

INCORPORATING THE FORTNIGHTLY

*Contents for the February issue include:*

- THE WORLD OUTLOOK by Phillips Price, M.P.  
PROBLEMS AND PROSPECT IN JUGOSLAVIA, by a member of the Yugoslav Office of Information  
THE LATEST DEVELOPMENTS IN WEST GERMANY by Frank Pick (of the B.B.C.)  
ROYALISM IN CONTEMPORARY FRANCE by Victor Cohen  
'MORAL RE-ARMAMENT' MOVEMENT by R. Mowat, Lecturer in the Naval College at Greenwich  
MADAME DE POMPADOUR, Part III by Dr G. P. Gooch, C.H.  
THE AMERICAN WAY OF LIFE, by an English Resident in New York  
THE OPENING UP OF ARCTIC CANADA by Frank Illingworth  
THE MAGIC OF J. M. BARRIE by Dr Price  
RHYTHMS OF THE BRAIN by Dr Podolsky of New York  
ARTICLES ON AUSTRALIA IN THE ANTARCTIC. THE FIRST ENGLISH LOTTERY  
LITERARY SUPPLEMENT CONTAINS REVIEWS OF DR BENES' MEMOIRS

---

**Contemporary Review is published monthly at 3s. 6d.**

**Annual subscription £2 5s. od. post free**

**Send 3s. 9d. for the current issue to the publisher,  
CONTEMPORARY REVIEW, 46/47 CHANCERY LANE, W.C.2**

# THE WORLD TODAY

Volume 11      No. 3      Mar.-L 1955

## CONTENTS

### NOTES OF THE MONTH

N	MALENKOV'S RESIGNATION: THE ABANDONMENT OF THE NEW	
C	COURSE	97
	INDIAN STATESMANSHIP AND COMMUNIST OPPORTUNISM	105
A	ECONOMIC IMPLICATIONS OF GERMAN REARMAMENT	117
Ti	COSTA RICA AND THE INVASION	129
T	Difficulties of a Central American Democracy	

---

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.

Telephone: Whitehall 2233

Editor of *The World Today*: MURIEL GRINDROD

### ANNUAL SUBSCRIPTION RATES

*including postage inland and overseas*

THE WORLD TODAY (12 issues a year) 25s.

CHRONOLOGY OF INTERNATIONAL EVENTS  
(24 issues a year and index) 25s.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

The Royal Institute of International Affairs is an unofficial and non-political body founded in 1925 to encourage and facilitate the scientific study of international questions. The Institute is precluded by the terms of its Royal Charter from expressing an opinion on any aspect of international affairs. Any views expressed in the publication are, therefore, purely individual.

# **The Russian Review**

**An American Quarterly  
Devoted to Russia Past and Present**

The aim of THE RUSSIAN REVIEW is to interpret the real aspirations of the Russian people, as distinguished from and opposed to Soviet Communism. The REVIEW contains: (1) a varied selection of articles on subjects ranging from art to politics, with emphasis on the contemporary East-West struggle and Russian-American relations past and present; (2) book reviews by distinguished writers and scholars; (3) annual bibliography of books and articles on Russia and the Soviet Union.

*Editor*

Dimetri von Mohrenschildt

*Associate Editors*

William Henry Chamberlin  
Warren B. Walsh

Michael Karpovich  
Alexis Wiren

\*

Issued quarterly (in January, April, July, and October)

Subscription \$5.00 a year in the U.S.; \$5.50 in Canada;  
\$6.00 foreign

Single issues through Vol. 12 \$1.00, Subsequent issues \$1.25,  
Index Vol. 1-10 75c.

\*

**THE RUSSIAN REVIEW**

235 Baker Library    Hanover, New Hampshire, U.S.A.

# THE WORLD TODAY

Volume 11 No. 4 April 1955

## CONTENTS

NOTES OF THE MONTH . . . . .	139
IRAQ, EGYPT, AND THE ARAB LEAGUE . . . . .	145
THE DILEMMA OF SOVIET WRITERS . . . . . Inspiration or Conformity?	151
UNREST IN FRENCH NORTH AFRICA . . . . .	164
BOLIVIA'S REVOLUTIONARY REGIME . . . . . Political and Economic Developments	173

---

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.

Telephone. Whitehall 2233

Editor of *The World Today*: MURIEL GRINDROD

### ANNUAL SUBSCRIPTION RATES

*including postage inland and overseas*

THE WORLD TODAY (12 issues a year)	25s.
CHRONOLOGY OF INTERNATIONAL EVENTS (24 issues a year and index)	25s.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

*The Royal Institute of International Affairs is an unofficial and non-political body, founded in 1920 to encourage and facilitate the scientific study of international questions. The Institute is precluded by the terms of its Royal Charter from expressing an opinion on any aspect of international affairs. Any views expressed in the publication are, therefore, purely individual.*





**Wer im politischen Leben tätig ist**  
im Parlament, bei den Gewerkschaften, in den Organisationen  
des öffentlichen Lebens

**Wer sich für eine politische Tätigkeit vorbereitet**  
der Studierende der politischen Wissenschaften, der Soziologie,  
der Geschichtswissenschaft, der Volkswirtschaft

**Wer politische Wissenschaften unterrichtet**  
an den Hochschulen für Politik, auf den Lehrstühlen für  
Politik und Soziologie

**Wer auf der Schule die Jugend unterrichtet**  
die Lehrer der Gegenwartskunde an den Oberschulen

**Wer politisch interessiert ist**

**Wer an der geistigen Einheit Europas mitarbeitet**  
interessiert sich auch für die

## **ZEITSCHRIFT FÜR POLITIK**

das umfassende und wissenschaftliche, unabhängige Informationsorgan für alle politischen Fragen von grundsätzlicher Bedeutung, das Organ für den Vertreter der Wissenschaft und den Studierenden, für den praktischen Politiker, für den interessierten Staatsbürger.

### **HERAUSGEBER**

Adolf Grabowsky  
Lehrbeauftragter für politische Wissenschaften an den  
Universitäten Marburg und Basel

Alexander Rüstow  
Professor für Soziologie und politische Wissenschaften  
an der Universität Heidelberg, Vorsitzender der  
Vereinigung für die Wissenschaft von der Politik

Otto Suhr  
Leiter der Deutschen Hochschule für Politik  
Professor für politische Wissenschaften an der Freien  
Universität Berlin.

Die „Zeitschrift für Politik“ wird in Gemeinschaft mit der Deutschen Vereinigung für die Wissenschaft von der Politik herausgegeben.

Erscheinungsweise:	Vier Hefte im Jahr
Bezugspreis:	18.00 DM jährlich
Ermäßigter Bezugspreis für Studierende:	13.50 DM

**CARL HEYMANNS VERLAG KG**  
Berlin Charlottenburg 2, Gutenbergstrasse 3

# THE WORLD TODAY

Volume 11 No. 5 May 1955

## CONTENTS

NOTES OF THE MONTH . . . . .	185
THE HARD ROAD TO AN AUSTRIAN TREATY . . . . .	190
TRADE BETWEEN CHINA AND THE SOVIET BLOC . . . . .	202
THE POLITICAL SCENE IN FINLAND . . . . .	210
THE INDUSTRIAL COLOUR BAR IN THE NORTHERN RHODESIA COPPERBELT . . . . .	217

---

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.

Telephone: Whitehall 2233

Editor of *The World Today*: MURIEL GRINDROD

### ANNUAL SUBSCRIPTION RATES including postage inland and overseas

THE WORLD TODAY (12 issues a year)	25s.
CHRONOLOGY OF INTERNATIONAL EVENTS (24 issues a year and index)	25s.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

*The Royal Institute of International Affairs is an unofficial and non-political body, founded in 1920 to encourage and facilitate the scientific study of international questions. The Institute is precluded by the terms of its Royal Charter from expressing an opinion on any aspect of international affairs. Any views expressed in this publication are, therefore, purely individual.*

# The Old Turkey & the New

FROM BYZANTIUM TO ANKARA

by Sir Harry Luke, K.C.M.G.

**SIR RONALD STORRS** writes: "Sir Harry is to be congratulated, for no discerning follower of Middle Eastern politics and strategies—particularly after the recent Iraqi-British-Turkish Treaty—can afford to miss this timely and delightfully presented *raison d'être* of the modern Turkey, oriental in origin, Western in sense of political responsibility, that has become a key power in the defence of the Free World".

DEMY 8VO

ILLUSTRATED

16s

---

GEOFFREY BLES

---

## Contemporary Review

INCORPORATING THE FORTNIGHTLY

*Contents for the May issue include:*

THE CROWN AND THE COMMONWEALTH by Viscount Soulbury (formerly Governor of Ceylon)

GLIMPSES OF THE FAR EAST (impressions of a recent tour) by Lord Noel-Buxton

PROBLEMS AND PROSPECTS IN ARGENTINA, by George Bilainkin, after a visit sponsored by the Argentine Government

MADAME DU BARRY—IV by Dr G. P. Gooch, C.H.

CENTENARY OF THE DRAMATIST PINERO

COUNT KAROLYI, FORMER PREMIER OF HUNGARY, just died, by a Hungarian friend

AN EYEWITNESS ACCOUNT OF SUTTEE (WIDOW BURNING) IN INDIA

ARTICLES ON THE I.R.A. IN EIRE, PROFIT SHARING, AFGHANISTAN,

THE RED CROSS CENTENARY, THE AMERICAN NEGRO

LONG REVIEWS OF KÜRENBERG'S BIOGRAPHY OF THE KAISER, MEMOIRS OF CATHERINE THE GREAT, etc.

**Contemporary Review is published monthly at 3s. 6d.**

Annual subscription £2 5s. od. post free

Send 3s. 9d. for the current issue to the publisher,

CONTEMPORARY REVIEW, 46/47 CHANCERY LANE, W.C.2

کتاب خانہ جامعہ اسلامیہ دہلی

# THE WORLD TODAY

Volume 11 No. 6 June 1955

## CONTENTS

NOTES OF THE MONTH . . . . .	231
ISRAEL AFTER SEVEN LEAN YEARS . . . . .	238
TEN YEARS OF EAST-WEST RELATIONS IN EUROPE . . . . .	246
The Struggle for Germany	
INDIA'S REVOLUTION BY CONSENT . . . . .	254
THE EUROPEAN COAL AND STEEL COMMUNITY . . . . .	263
An Experiment in Integration	

---

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S W.1.

Telephone Whitehall 2233

Editor of *The World Today*: MURIEL GRINDROD

### ANNUAL SUBSCRIPTION RATES

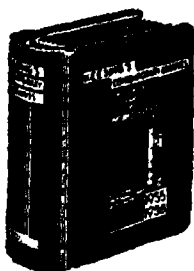
including postage inland and overseas

THE WORLD TODAY (12 issues a year)	25s.
CHRONOLOGY OF INTERNATIONAL EVENTS (24 issues a year and index)	25s.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

*The Royal Institute of International Affairs is an unofficial and non-political body, founded in 1920 to encourage and facilitate the scientific study of international questions. The Institute is precluded by the terms of its Royal Charter from expressing an opinion on any aspect of international affairs. Any views expressed in this publication are, therefore, purely individual.*



## LONDON NEWSPAPER STRIKE

Any important news items at home and abroad which readers may have missed during the absence of London Daily Newspapers are, of course, recorded and indexed as usual in KEESING'S Documentation of Current Affairs—more than a stop-gap:

AN INSTITUTION FOR ALL TIMES.

There is not a more precise instrument for the serious study of current affairs, nor any better contrivance for answering promptly some casual query on national or international Politics, Economics, Social Questions, than KEESING'S—the weekly diary of world events—now in its 25th year of continuous publication.

Designed for Rapid Reference it is as often used for leisured reading.

*If you still lack KEESING'S, just write for a free specimen issue*

**KEESING'S · 60 Bristol Road, Keynsham · BRISTOL**

*Now ready*

## POLITICAL HANDBOOK OF THE WORLD 1955

Edited by WALTER H. MALLORY

This annual reference volume gives essential political information on all the countries of the world—composition of governments; programmes and leaders of political parties; political affiliations and editors of principal newspapers. It is revised to 1 January 1955.

*Price 30s. net*

*Distributed in the United Kingdom by the*  
**ROYAL INSTITUTE OF INTERNATIONAL AFFAIRS**  
Chatham House, 10 St James's Square, London, S.W.1

المجلة العالمية

# THE WORLD TODAY

Volume 11 No. 7 July 1955

14 AU

## CONTENTS

NOTES OF THE MONTH . . . . .	273
THE GERMAN PROBLEM ON THE EVE OF THE FOUR-POWER TALKS . . . . .	280
CONTEMPORARY TRENDS IN UGANDA . . . . .	290
TOWARDS A SOVIET BOURGEOISIE? . . . . .	300
Implications of 'The Thaw' and 'The Seasons'	
BURMA TODAY . . . . .	309
Awaiting the Welfare State	

---

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.

Telephone: Whitehall 2233

Editor of *The World Today*: MURIEL GRINDROD

### ANNUAL SUBSCRIPTION RATES including postage inland and overseas

THE WORLD TODAY (12 issues a year)	25s.
CHRONOLOGY OF INTERNATIONAL EVENTS (24 issues a year and index)	25s.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

*The Royal Institute of International Affairs is an unofficial and non-political body, founded in 1920 to encourage and facilitate the scientific study of international questions. The Institute is precluded by the terms of its Royal Charter from expressing an opinion on any aspect of international affairs. Any views expressed in this publication are, therefore, purely individual.*

## Government by Committee

*An Essay on the British Constitution*

BY K. C. WHEARE

The British use committees in almost everything they undertake and this book deals with one important sphere where they are used—the sphere of government, both central and local. Various kinds of committee and the rôles of representative ‘committee men’ are examined. 25s. *net*.

SURVEY OF INTERNATIONAL AFFAIRS 1939-46

## The Realignment of Europe

EDITED BY ARNOLD AND VERONICA M. TOYNBEE

This volume of the war-time series deals with the political and territorial reshaping of Europe after the retreat of the German armies, with the emergence of new régimes from the political vacuum left by the war, and with the beginnings of Soviet influence in Eastern Europe. 63s. *net*. (Published for R.I.I.A.)

OXFORD UNIVERSITY PRESS

## Contemporary Review

INCORPORATING THE FORTNIGHTLY

*Contents for the July issue include.*

THE GENERAL ELECTION, by various writers

THE WORLD OUTLOOK, by George Soloveytschik

NINE RUSSIAN MARSHALS, by K. F. Feldman.

AUSTRIA'S INDEPENDENCE, by G. E. R. Gedye (long resident in Vienna).

A VISIT TO EAST GERMANY, by Commander Young

THE CHARACTER OF LOUIS XV, by Dr G. P. Gooch, C.H.

ARTICLES ON THE VICHY GOVERNMENT IN THE WAR, INDONESIA, BLACK AND WHITE IN SOUTH AFRICA, OLD AGE PROBLEMS, RELIGION IN HARDY'S NOVELS, TOM PAINE, MEDIEVAL STORY-TELLING, THE ELEGANCE OF PARMA.

Contemporary Review is published monthly at 3s. 6d.

Annual subscription £2 5s. od. post free.

Send 3s. 9d. for the current issue to the publisher,  
CONTEMPORARY REVIEW, 46/47 CHANCERY LANE, W.C.2

# THE WORLD TODAY

Volume 11 No. 8 August 1955

## CONTENTS

ISSUES OF THE MONTH . . . . .	319
CROATIA BETWEEN INDEPENDENCE AND ORTHODOXY . . . . .	322
Reflections on the Soviet Visit to Belgrade	
ARMAMENT: PROPOSALS AND NEGOTIATIONS, 1946-55 . . . . .	334
ARGENTINA: THE ECONOMIC BACKGROUND TO POLITICAL RISKS . . . . .	348
POST-JAPANESE PEACE TREATY TALKS . . . . .	357
The Negotiations as Seen from Tokyo	

---

ded in 1924 as the *Bulletin of International News*, THE WORLD TODAY  
he CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from  
nformation Department of the Royal Institute of International Affairs,  
am House, 10 St James's Square, London, S W 1.

Telephone: Whitehall 2233

Editor of *The World Today*: MURIEL GRINDROD

### ANNUAL SUBSCRIPTION RATES

including postage inland and overseas

THE WORLD TODAY (12 issues a year)	25s.
CHRONOLOGY OF INTERNATIONAL EVENTS (24 issues a year and index)	25s.

Orders may be sent to booksellers and newsagents or to the Royal  
nstitute of International Affairs. For addresses of agents in the United  
States and Commonwealth, see inside of back cover.

• • •

oyal Institute of International Affairs is an unofficial and non-political body,  
nd in 1920 to encourage and facilitate the scientific study of international  
ms. The Institute is precluded by the terms of its Royal Charter from expressing  
sion on any aspect of international affairs. Any views expressed in this  
publication are, therefore, purely individual.



# THE ROUND TABLE

A QUARTERLY REVIEW  
OF BRITISH COMMONWEALTH AFFAIRS

*The Round Table* was founded in 1910 in order to provide a medium for spreading knowledge of the internal affairs of the British Commonwealth and of world problems as they affect the Commonwealth as a whole. It is not run for private profit, and is entirely independent in policy and control. It is conducted by a group of people drawn from different walks of life and holding different political views

The review contains regular accounts of current affairs in the Dominions, Great Britain, and Ireland, and in the United States. Its main articles are often written by correspondents in the countries concerned. It also contains articles which are the product of discussion in Great Britain and the Dominions. All its contributors are anonymous.

*In the June 1955 issue*

THE NATION'S LIVELIHOOD  
STRATEGY OF DETERRENCE  
IN THE CAMP OF SOCIALISM AND DEMOCRACY  
WHITEHALL AND THE COMMONWEALTH  
DIVIDING THE WATERS  
PACIFIC AMERICA  
LAW OF THE SHALLOW SEAS

And articles from Correspondents in

UNITED KINGDOM    IRELAND    INDIA    PAKISTAN  
CANADA    SOUTH AFRICA    AUSTRALIA  
NEW ZEALAND    RHODESIA and NYASALAND

*Post free 7s. 6d. Annual Subscription 30s.*

*By air mail 10s. and 40s.*

Obtainable from all booksellers, newsagents, and from

THE ROUND TABLE LIMITED

15 Ormond Yard, Duke of York Street, London, S.W.1.

# THE WORLD TODAY

Volume 11 No. 9 September 1955

## CONTENTS

SUMMIT TALKS AT GENEVA, AND AFTER . . . .	365
CONSTITUTIONAL CRISIS IN SOUTH AFRICA . . . .	369
LEAGUES IN CENTRAL EUROPE . . . .	380
Old and New Problems of Control	
IMPLICATIONS OF 'PAKHTUNISTAN' . . . .	390
Prospects for Pakistani-Afghan Relations	
INDIA'S ECONOMIC FUTURE . . . .	398
The International Bank Mission's Report	

---

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, 10 St James's Square, London, S.W.1.

Telephone Whitehall 2233

Editor of *The World Today* · MURIEL GRINDROD

### ANNUAL SUBSCRIPTION RATES

*including postage inland and overseas*

THE WORLD TODAY (12 issues a year) 25s.

CHRONOLOGY OF INTERNATIONAL EVENTS  
(24 issues a year and index) 25s.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

*Royal Institute of International Affairs is an unofficial and non-political body, founded in 1920 to encourage and facilitate the scientific study of international relations. The Institute is precluded by the terms of its Royal Charter from expressing opinion on any aspect of international affairs. Any views expressed in this publication are, therefore, purely individual.*

# **Contemporary Review**

INCORPORATING THE FORTNIGHTLY

*Contents for September 1955 issue include:*

- THE GENEVA CONFERENCE, by Dr Gilbert Murray, O.M.  
EYE-WITNESS ACCOUNT OF THE CONFERENCE, by George Bilainkin  
RESURGENCE OF EUROPEAN JEWRY, by Dr Norman Bentwich  
A NEUTRAL ZONE BETWEEN EAST AND WEST IN EUROPE, by Dr Tilea  
(formerly Rumanian Minister in London)  
STRAINS IN THE BALKAN ALLIANCE, by Anton Logoreci (an Albanian)  
AUTOMATION IN U.S. INDUSTRY, by Professor Dankert (U.S.A.)  
THE AUSTRALIAN SCENE, by Dr Collocott  
KING NICHOLAS OF MONTENEGRO, by Henry Baerlein  
CHRISTOPHER FRY, by Derek Stanford  
THE COMMUNIST THREAT TO NEPAL, by Colonel Crocker  
CHANGES IN RUSSIA, by Axel Heyst

**Contemporary Review is published monthly at 3s. 6d.**

Annual Subscription £2 5s. od. post free

Send 3s. 9d. for the current issue to the publisher,  
CONTEMPORARY REVIEW, 46/47 CHANCERY LANE, W.C.2

## **The Politics of the Prussian Army 1640-1945**

BY GORDON A. CRAIG

This is a political history of the Prussian army—and the German army which inherited its traditions—from the beginning of the Hohenzollern state until the death of Hitler. Professor Craig's book provides, for the general reader as well as for the scholar, a most comprehensive and detailed account of the political activities of the army in the nineteenth century and the chapters on the Weimar Republic are rich in new material from sources till recently unavailable. The final chapter tells the dramatic story of how an army which from its origins had successfully defied civilian control was mastered and destroyed by Adolf Hitler.

50s. net.

OXFORD UNIVERSITY PRESS

# THE WORLD TODAY

Volume 11 No. 10 October 1955

## CONTENTS

NOTES OF THE MONTH . . . . .	41
THE SUDAN FOR THE SUDANESE . . . . .	42
The Threshold of Self-Determination	
SOME ASPECTS OF SOVIET-SATELLITE ECONOMIC RELATIONS	43
UNITED STATES DEFENCE POLICY IN THE WEST PACIFIC . . . . .	43
The 'Island Defence Chain'	
RECENT LITERATURE ON COMMUNISM IN INDIA . . . . .	44

---

Founded in 1924 as the *Bulletin of International News*, 'THE WORLD TODAY' and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.

Telephone: Whitehall 2233

Editor of *The World Today*: MURIEL GRINDROD

### ANNUAL SUBSCRIPTION RATES

*including postage inland and overseas*

THE WORLD TODAY (12 issues a year) 25s.

CHRONOLOGY OF INTERNATIONAL EVENTS  
(24 issues a year and index) 25s.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

*The Royal Institute of International Affairs is an unofficial and non-political body founded in 1920 to encourage and facilitate the scientific study of international questions. The Institute is precluded by the terms of its Royal Charter from expressing an opinion on any aspect of international affairs. Any views expressed in this publication are, therefore, purely individual.*

*Chatham House*  
*Autumn Publications*

---

**ARGENTINA**

BY GEORGE PENDLE

*Price 12s. 6d. net\**

**A BIBLIOGRAPHY OF THE WORKS IN  
ENGLISH OF ARNOLD TOYNBEE, 1910-1954**

Compiled by MONICA POPPER

(Mimeographed. Published 25 August)

*Price 5s. 0d. net*

**BRITISH FOREIGN POLICY: SOME  
RELEVANT DOCUMENTS**

January 1950-April 1955

*Price 8s. 6d. net*

**LABOUR POLICY IN THE U.S.S.R.,  
1917-1928**

BY MARGARET DEWAR

*Price 45s net*

**THE REBUILDING OF ITALY  
Politics and Economics 1945-1955**

BY MURIEL GRINDROD

*Price 18s. 0d. net\**

*\* Approximate prices*

---

ROYAL INSTITUTE OF INTERNATIONAL AFFAIRS

London: Chatham House, 10 St James's Square, S.W.1

New York: 345 East 46th Street, New York 17, N.Y.

# THE WORLD TODAY

Volume 11    No. 11    November 1955

## CONTENTS

NOTES OF THE MONTH . . . . .	45
THE MIDDLE EAST: BACKGROUND TO THE RUSSIAN INTER- VENTION . . . . .	46
THE FOUR POWERS AND GERMANY The Reunification Issue	7
TOWARDS A FEDERAL GOLD COAST	8
THE SOVIET GENERAL STAFF TAKES STOCK Changes in Military Doctrine	9

---

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.

Telephone: Whitehall 2233

Editor of *The World Today*: MURIEL GRINDROD

### ANNUAL SUBSCRIPTION RATES

*including postage inland and overseas*

THE WORLD TODAY (12 issues a year)	25s.
CHRONOLOGY OF INTERNATIONAL EVENTS (24 issues a year and index)	25s.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

*The Royal Institute of International Affairs is an unofficial and non-political body founded in 1920 to encourage and facilitate the scientific study of international questions. The Institute is precluded by the terms of its Royal Charter from expressing an opinion on any aspect of international affairs. Any views expressed in the publication are, therefore, purely individual.*

## **BRITISH FOREIGN POLICY: SOME RELEVANT DOCUMENTS**

**January 1950—April 1955**

This handy volume contains the texts of twenty documents, including the Security Council Resolutions on Korea, the Korean Armistice Agreement, the Anzus Pact, the Treaty of Peace with Japan, the Bonn Conventions (1954 revisions), the Balkan Pact, the Manila Pact, the Suez Canal Base Agreement, the Anglo-Egyptian Agreement on the Sudan, the Geneva Conference on the Far East (final declaration), etc.

*Ready 8 November*

*Price 8s. 6d. net*

**ROYAL INSTITUTE OF INTERNATIONAL AFFAIRS**

*London. Chatham House, 10 St James's Square, S.W.1*

*New York. 345 East 46th Street, New York 17, N.Y.*

## **STRAIGHT FIGHT**

*A study of voting behaviour in the Constituency of Bristol  
North-East at the General Election of 1951*

*by*

**R. S. MILNE**

*and*

**H. C. MACKENZIE**

*"... is the most useful study yet made on what lies behind  
English voting"*

*Manchester Guardian*

*"... warmly welcomed as the first published attempt to  
analyse in detail the influence of a British election campaign on  
individual voters."*

*Economist*

*"... well organized and carefully conducted study."*

*Times Literary Supplement*

**10s. 6d.**

**THE HANSARD SOCIETY**

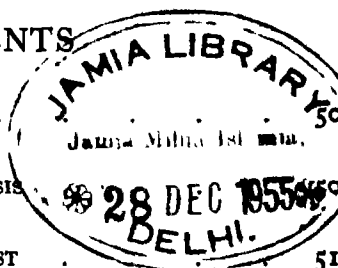
**39 Millbank, London, S.W.1**

# THE WORLD TODAY

Volume 11 No. 12 December 1955

## CONTENTS

NOTES OF THE MONTH	
THE FRENCH NORTH AFRICAN CRISIS	51
SOVIET POLICY IN THE MIDDLE EAST	51
CAUSES AND CONSEQUENCES OF THE PLEBISCITE IN THE SAAR	53
THE FUTURE OF THE CENTRAL AFRICAN FEDERATION	53



Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs Chatham House, 10 St James's Square, London, S.W. 1.

Telephone: Whitehall 2233

Editor of *The World Today*: MURIEL GRINDROD

### ANNUAL SUBSCRIPTION RATES including postage inland and overseas

THE WORLD TODAY (12 issues a year)	25s.
CHRONOLOGY OF INTERNATIONAL EVENTS (24 issues a year and index)	25s.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

*The Royal Institute of International Affairs is an unofficial and non-political body founded in 1920 to encourage and facilitate the scientific study of international questions. The Institute is precluded by the terms of its Royal Charter from expressing an opinion on any aspect of international affairs. Any views expressed in the publication are, therefore, purely individual.*



# LA SITUATION DE L'ALLEMAGNE EN 1955

PAR ALFRED GROSSER

En avril, l'Institut des Relations Internationales (Bruxelles) organisait à Bruges une session de travail consacrée à la situation de l'Allemagne en 1955. Les institutions correspondantes du Canada, du Danemark, des Etats-Unis, France, de Grande-Bretagne, d'Italie, de Norvège, des Pays-Bas et de la République Fédérale d'Allemagne avaient envoyé les personnalités les plus compétentes pour participer au congrès.

C'est le compte rendu de ces débats que contient ce cahier. Il ne s'agit pas d'une sorte de procès-verbal aride mais d'une présentation vivante et ordonnée des problèmes à partir des discussions de Bruges, rédigée par le rapporteur général du congrès, Alfred Grosser, chargé de cours à l'Institut d'Etudes Politiques de l'Université de Paris, dont on connaît l'ouvrage *L'Allemagne de l'Occident*. Les événements importants depuis la réunion de Bruges sont le sujet d'un post-scriptum de l'auteur du rapport.

## TABLE DES MATIERES

1. *Aperçus sur la Politique mondiale* : Deux blocs?; Aggravation de la situation soviétique?; La politique occidentale; Perspectives d'application à l'Allemagne.

2. *Aspects juridiques de la Situation de l'Allemagne*. De 1945 à 1955; Deux Etats allemands?; Limites à la Liberté d'action; Les Accords de Paris sont-ils modifiables?

3. *Les Problèmes politiques*: Neutralité, neutralisation, contrôle; Les exigences fondamentales; L'inquiétante neutralité; 'Occidentalisation' politique et neutralisation militaire; Questions en suspens, La ligne Oder-Neisse; Elections libres et secrètes, Les conséquences d'une réunification; Tension, réarmement et accentuation de la coupure; Les formes d'un compromis; La République fédérale de Moscou; Les rapports avec la D.D.R.; L'évolution des deux Allemagnes.

4. *Les Problèmes économiques*. L'expansion économique allemande et le commerce avec l'Ouest; Laissez-faire, coordination et supranationalité; Le réarmement et ses conséquences; Le commerce allemand avec l'Est; Les relations économiques franco-allemandes.

Prix 50 fr. B

INSTITUT DES RELATIONS INTERNATIONALES  
88 avenue de la Couronne, Bruxelles, Belgium

# THE WORLD TODAY

Volume 11 No. 1 January 1955

1 FEB

\*

## Notes of the Month

### *Territorial Waters and the Onassis Case*

THE legal problems arising from the Peruvian claim to a 200-mile maritime belt and the consequent seizure of part of the Onassis whaling fleet are related to the doctrines of territorial waters and the continental shelf.

In classical international law the territorial belt was regarded as being the limit of gunfire and this cannon-shot rule became synonymous with three miles. Although this was the generally recognized distance there were deviations, of which perhaps the most famous is the four-mile belt claimed by Norway. Such deviations require recognition by other States to become valid, and the United Kingdom recognized the Norwegian claim for the purposes of the Fisheries Dispute in 1951.

The League of Nations called an international law codification conference in 1930 and territorial waters was one of the subjects discussed. Despite the generally accepted belt of three miles it proved impossible to secure universal agreement. The result of the Conference was that it became clear that international law recognized a belt of territorial waters at least three miles wide. Since then, claims up to twelve or fifteen miles have been made in various areas, but none has secured general recognition. Nor has there been any general agreement as to the method of drawing the base line from which territorial waters should be measured. As was pointed out by the World Court in the *Anglo-Norwegian Fisheries Case*, States are free to adopt what method they like so long as the lines follow the general direction of the coast. The decision is only authoritative on this narrow issue of the method of drawing the base lines and gives no ruling as to the width of the territorial belt.

President Truman in 1945 issued two Proclamations and two Executive Orders on fisheries and the natural resources of the sea-bed off the coasts of the United States. These documents asserted the right of the United States to exercise jurisdiction and

control over the natural resources of the sea-bed and the subsoil the continental shelf of the United States, which was defined extending to the 100 fathom line. The United States did not claim sovereignty over this area, nor did she purport to annex the water above the shelf or interfere with the normal rights of international shipping in the area.

Other States followed this example and lodged similar claims but many went further than that on which they claimed to be modelled, for they asserted sovereignty over the shelf and the sea adjacent to the coasts. There is little or no continental shelf off the Pacific coast of Latin America, yet in June 1946 Chile issued a Proclamation claiming sovereignty over the seas and shelf contiguous to her coast regardless of depth and extending to a line drawn parallel to the coast at a distance of 200 miles from it. Peru and other Latin American countries (Costa Rica, Ecuador, Salvador, and Honduras) issued similar Proclamations. All these claims have been met by protests and declarations of non-recognition from, among others, Norway, the United Kingdom, and the United States, while in 1953 the International Law Commission recognized the validity of claims to the resources of the continental shelf only to a depth of 200 metres.

In 1952 Chile, Ecuador, and Peru agreed to support each other in their attempts to protect their 'sovereignty' over the 200-mile zone, and in 1954 it was made clear that Peru intended exercising her alleged jurisdiction over this area to exclude a whaling fleet belonging to Mr Onassis, an Argentine national, flying the Panamanian flag, manned by Germans and Norwegians, and insured in London. Maritime States made further protests, but when the vessel entered the 200-mile zone some were seized, and there is some evidence that guns and bombs were used to effect their capture. Seizure on the high seas—and unrecognized claims to vast marine areas do not alter their character as high seas—of vessels carrying on their legitimate business is akin to piracy and the use of bombing aircraft amounts to an exercise of purported belligerent rights which, to be legal, again requires recognition.

Peru herself recognizes that her claim constitutes a deviation from accepted rules of international law. On 3 December 1954 the Foreign Minister declared that 'the world must accept the fact that America is elaborating its own code of rights based on social needs which are at variance with the freedom of the seas', and on 13 December, after the fine imposed on Mr Onassis had been paid,

the Chief of Naval Headquarters at Lima declared that this recognized the Peruvian claim to sovereignty. These statements show that Peru regards her action as being inconsistent with accepted law and requiring recognition. They ignore, however, that the fine was paid while reserving all legal rights, and that regional international law, where it differs from generally accepted rules, is only applicable among and against the members of the region and those non-members accepting it.

Peru has declared that she will not accept international judicial settlement in this matter, for she 'does not admit of her sovereignty being judged'. This does not alter the fact that in international law Argentina has a claim in respect of the losses suffered by the owner—she has however declared her support for Peru; Panama for interference with ships flying her flag; Germany and Norway for any injury suffered by members of the crews who are their nationals; and the United Kingdom on behalf of the insurers. In addition, the Organization of American States has competence over a matter affecting the good relations of its members, and here, in view of the large number of American States who have claimed sovereignty over the continental seas, it is doubtful whether Peru's actions would be condemned. The United Nations can also deal with the problem as a matter affecting friendly relations between Members requiring pacific settlement, or even as one, in view of the resort to armed force, requiring enforcement or preventive measures. Given the common interest of the leading maritime and fishing States this might prove an example of Big Five unanimity.

Should Peru prove unwilling to compromise—and she has committed herself to an extent that would make this difficult—a veritable impasse would ensue, for this is a matter on which the maritime Powers, especially the United Kingdom and the United States, cannot give way either.

### *The Saar Convention: Differences in Interpretation*

THE Franco-German Agreement on the Saar<sup>1</sup> concluded in Paris on 23 October 1954 is intended 'to do away with any occasion of conflict'. But it has become a bone of contention. Both Governments appended commentaries for the guidance of their legislatures who have to adopt or reject the Agreement together with the other Paris Agreements. The German *Begründung* was instantly attacked in France as being against the spirit, and even the letter,

<sup>1</sup> Cmd. 9306 and *The Times*, 26 October 1954 (both unofficial translations).

of the Agreement. The French *exposé des motifs* was denounced in Germany in almost identical terms.

The need for amplification was felt more urgently in Germany since the Agreement, in the official German view, really is, as it says in the Preamble, a set of 'principles which will form the basis of a solution of the Saar problem'. The French *exposé*, on the other hand, states that the Agreement is 'not a declaration of principle or a prefiguration of the future statute [the French word actually has two meanings, that of 'status' and that of 'statute'] of the Saar, but the statute itself'.<sup>1</sup> The Federal Government sees the Agreement as 'a kind of provisional *modus vivendi* until the final settlement of this all-German question by a peace treaty between Germany and her former enemies'.<sup>2</sup> M. Mendès-France, after declaring that the Agreement would herald an era of constant and fruitful relations between France and the Federal Republic indispensable to the consolidation of the free world, went on to say that 'the supreme interests of all its people forbids any State assuming the heavy responsibility of calling it [the Agreement] in question again'. That, however, is the very subject on which there is Franco-German disagreement: the French regard the European status of the Saar as something definitive, the Germans as something provisional.

The French point of view was put in *Le Monde* (3 December 1954). The article challenges the historical part of the *Begründung*, which rests on the German contention that *de jure* the Saar never ceased to be part of Germany (i.e. the Germany within the frontiers of 31 December 1937). It then attacks the German interpretation of the Saar Agreement in three particulars. The first is the European character of the Saar statute (or the status of the Saar) which, according to the paper, is denied by the Federal Government, while Article 7 (an obvious misprint for Article 1) of the Agreement is quite clear on this point and says: 'The purpose of the solution envisaged is to give the Saar a European statute within the framework of the Western European Union.' The second point is the duration of the new statute: according to *Le Monde*, the Bonn Government asserts that, in accepting a new referendum of the Saarlanders after the conclusion of a peace treaty with Germany, France has undertaken to refer back to the population of the Saar the decision regarding the final fate of the territory; whereas in

<sup>1</sup> *Figaro*, 15 December 1954.

<sup>2</sup> *Frankfurter Allgemeine Zeitung*, 23 November 1954.

fact she has done nothing of the sort. France, says *Le Monde*, has only undertaken to submit to the Saar population for its approval 'eventual provisions of the peace treaty affecting the Saar' (in the French text: 'les dispositions qui pourront être prises en ce qui concerne la Sarre'; German: 'Bestimmungen im Friedensvertrag über die Saar'). At that point 'France will obviously demand . . . the definitive consolidation of a European status to which the Bonn Government wants to give an essentially provisional character'. On the third point, concerning the continuance of the economic and monetary union between France and the Saar, *Le Monde* declares that Bonn's view of 'the new concept of economic co-operation' as the antithesis of the concept of economic union conflicts with the provisions of Art. 9 (actually 12b) whereby 'the progressive extension of economic relations between the Federal Republic of Germany and the Saar shall not endanger the Franco-Saar currency union and the application of the Franco-Saar economic conventions'.

In fact the provisions of the Agreement in their entirety are not very clear. Art. 12 also says: '(a) The principles upon which the Franco-Saar economic union at present rests will be incorporated in an agreement on economic co-operation to be concluded between France and the Saar . . . (b) In regard to economic relations between the Federal Republic of Germany and the Saar, the aim will be to create relations similar to those existing between France and the Saar.'

Dr Adenauer in a recent debate in the Bundestag gave an assurance that he does not accept the French interpretation of the Saar Agreement as contained in the official French *exposé* and that he will try to achieve clarification with M. Mendès-France, and, failing that, will ask for Anglo-American mediation. The rapporteur of the French Foreign Affairs Commission, on the other hand, accused the Bonn Government of taking up a position 'so tendentious that it requires all our patience . . . not to recommend formal opposition to a text which one must suppose had been signed by our partners with the intention of drawing conclusions opposite to those for which the agreement had been signed'.<sup>1</sup>

The French insistence on the permanent nature of the detachment of the Saar from Germany was expressed as follows by M. Mendès-France: 'It goes without saying that the French Government will demand a confirmation of the European status of the

<sup>1</sup> *The Scotsman*, 17 December 1954.

Saar at the negotiations for the peace treaty which must finally fix Germany's frontiers and in which the Saarlanders will be consulted. In the course of the peace negotiations the French will insist on British and American support in conformity with formal assurances given by these Governments on 10 April 1947, and repeated subsequently.<sup>1</sup> Immediate French reaction to Dr Adenauer's proposal of further clarificatory negotiations and eventual British and American mediation was negative.

### *Japan after the Fall of Mr Yoshida*

THE fall of Mr Yoshida came about both through hostility to his autocratic methods and growing resentment at what was held to be his unduly pro-American policy. Months of political intrigue culminated on 24 November in the formation of the Japan Democratic Party, composed of a coalition of dissident Liberals under Mr Ichiro Hatoyama and the Progressives, led by Mr Mamoru Shigemitsu. The first objective of the new Party was to oust Mr Yoshida and it obtained promise of support from the Socialist Parties in a vote of non-confidence against him, though at the price of agreement upon dissolution of the Lower House early in 1955. Mr Yoshida wished to face his opponents and, if, as was a foregone conclusion, he were outvoted, to dissolve the Lower House immediately and appeal to the electorate. But Liberal campaign funds were probably low after the last election of March 1953, and the Party managers and backers decided that this time Mr Yoshida must go. His enforced resignation was followed on 10 December by the organization of a new Cabinet, with Mr Hatoyama as Prime Minister and Mr Shigemitsu as Deputy Prime Minister and concurrently Foreign Minister.

Mr Hatoyama, the founder of the Liberal Party, has at last had vengeance on Mr Yoshida, but he is unlikely to emulate the latter's long tenure of office. Mr Hatoyama is an able politician, but he has never shown outstanding qualities of leadership; he is, moreover, seventy-one and in none too good health. His Cabinet is hardly a harmonious body. It includes, as Minister of Finance, Mr Hisado Ichimada, who has been Governor of the Bank of Japan and a supporter of Mr Yoshida's deflationary policy. But it also contains as Minister of International Trade and Industry Mr Tanzan Ishibashi, who has long inveighed against the Bank of Japan's policy and has demanded a measure of inflation.

<sup>1</sup> *Ibid.*

It is possible that a compromise may be reached between these opponents, but any modification of the 'tight' money policy or relaxation of import controls will further unbalance Japan's overseas trade and threaten her foreign exchange reserves. It is here that the problem of foreign policy arises. Japan has a heavy adverse balance in her trade with the United States and, latterly, with the Sterling Area also. Mr Yoshida's real crime, in the eyes of Japanese business circles, was that he could get no concessions from the United States or Great Britain sufficient to offset this, while he continued to follow Washington in imposing restrictions on Japanese trade with China, and in keeping aloof from the Peking Government. The Japan Democratic Party has pledged itself to pursue an independent foreign policy and to make all possible efforts to expand Japanese foreign trade. Mr Hatoyama himself recently declared that, while he was a stout opponent of Communism, he saw no reason for severing diplomatic and commercial relations with any country just because it was Communist.

This suggests that the new Government would like to enter into diplomatic relations with Communist China and with the U.S.S.R., in the hope of thereby facilitating an expansion of trade, in particular with the former country. But any Japanese recognition of the Chinese People's Government would alienate the United States, upon which Japan is still economically and militarily dependent. Mr Shigemitsu, in an endeavour to quiet any fears in Washington, has given an assurance that Japan will continue to co-operate with the free nations of the world, especially with the United States. He declared, however, that she will follow the policy of peaceful co-existence with the Communist Powers and will seek to expand her trade relations with them.

Here is the other horn of the dilemma. The U.S.S.R. and Communist China have both assiduously courted Japan and have made lavish promises to her of increased trade. They stipulate, however, that Japan should make treaties of peace with them, on terms which would include some sort of non-aggression pact. Their obvious aim is to remove Japan from the American fold. Unless Japan responds, trade will continue to be limited and Japanese fishing boats to be seized if they venture anywhere near the Chinese or Russian coasts. Japan, however, can make no such agreements without violating the general Peace Treaty of San Francisco. Thus Mr Hatoyama's freedom of manoeuvre in the foreign field appears very circumscribed.



In domestic affairs the new Government is pledged to revise the 1947 Constitution and to further rearmament. But, assuming that the former Yoshida Liberals, now led by Mr Ogata, remain in opposition, Mr Hatoyama will be dependent upon the support of the Socialist Parties, who are opposed to an increase in armaments or to any restoration of the pre-1947 titular powers of the Emperor. The Left-wing Socialists, in particular, can hardly reverse their stand in these matters without alienating a large section of their electoral support. Thus the Hatoyama regime seems doomed to be ineffectual. Yet it marks the beginning of a trend in foreign affairs which the next elections may well accentuate.

### *The Economic Crisis in Brazil*

THERE are as yet no definite signs that the economic crisis which has troubled Brazil during the past few months is subsiding.

Among the immediate causes of the crisis, the decline in coffee exports and internal inflation have been the most pronounced. Coffee exports began to fall heavily in June 1954, when the then Finance Minister, Sr Aranha, fixed a minimum price for coffee at a level above that ruling on the New York market. Internal inflation received fresh impetus from the steep increase in minimum wages decreed, no doubt largely for political reasons, in May 1954 by the late President Vargas.

Thus the new Government which came to power under President Café Filho after President Vargas' death on 24 August 1954 inherited a situation characterized by a growing shortage of foreign exchange and the progressive weakening of the currency. The key post of Finance Minister was given to Sr Gudin, an engineer and eminent economist who, supported by the newly appointed President of the Banco do Brasil, Sr Mariani, declared his determination to attack the basic problem of inflation by stringent austerity measures, credit restriction, the elimination of inflationary Government budgeting, and curtailment of the note issue (his predecessor's chief means of financing Budget deficits). But in the prevailing atmosphere of uncertainty he has met with considerable difficulties, and in particular with opposition from some influential quarters. Evasion of taxes and of customs and exchange regulations present a special problem. In this way the Government has been losing revenue estimated at Cr. \$8,000 million annually, which represents no less than 80 per cent of the minimum Budget deficit anticipated for the current year. It remains to be seen

whether Sr Gudin will be more successful than his predecessor in overcoming these obstacles at a time when the prospect of a Presidential election later on in 1955 is liable to influence policy.

Meanwhile the inflationary spiral appears to continue unabated. The free market value of the cruzeiro, which improved for a time after Sr Gudin's appointment, soon began to slip once more and deteriorated to over Cr. \$200 per £ by the beginning of December, as compared with Cr. \$105 in January 1954 and Cr. \$180 at the time he took office. Sr Gudin has repeatedly denied rumours of an impending devaluation of the cruzeiro or of a change in the coffee policy. He has retained in principle the so-called Aranha plan, a system of simultaneously subsidizing exports and curtailing imports by auctioning foreign exchange. The *de facto* dollar price for coffee had already been lowered by Sr Aranha in mid-August, but exports still remained at disappointingly low levels.

Besides curbing dollar imports, the Government has been seeking loans from the United States to tide the country over her present difficulties. In September 1954 Sr Gudin obtained short-term credit totalling \$160 million from the Federal Reserve Bank, and on 22 November it was announced that a syndicate of nineteen U.S. commercial banks had made available a \$200 million five-year loan to Brazil. This is to be used for the repayment of the above-mentioned short-term credits, leaving the balance of \$40 million to cover current commercial debts. Over and above these credits Brazil had already obtained a loan of \$300 million from the Export-Import Bank, but this now entails repayments at the monthly rate of \$4.2 million, and she has also a fairly substantial backlog of commercial debts, including those owing to the U.K.

The Government has also announced that in future public investment is to be limited to the most urgent projects—those for the development of electric power supplies and transport facilities. The development of Brazil's oil resources is equally urgent. During the past five years petroleum imports amounted to no less than 15 per cent of the country's total import bill. Fresh controversy has consequently arisen over the wisdom of the continued exclusion of direct foreign participation which has applied since the establishment in October 1953 of PETROBRAS, the Government-controlled monopoly. The encouragement of foreign capital investment in Brazil has been advocated by the Foreign Minister, but there are signs of strong opposition from the exponents of economic nationalism.

## *The Russo-Yugoslav Détente*

THE change of climate in relations between Moscow and Belgrade is perhaps one of the most interesting results of the general easing in East-West tension. It may well be that the end of hostilities in Korea and Indo-China led to the establishment of certain definite situations which are likely to remain unaltered for some years to come, unless a radical improvement or deterioration occurs in the relationship between the Western Powers and the Communist States. The *rapprochement* between Russia and Yugoslavia, however, continues to develop; and it is difficult to say at this stage whether, if the present relaxation of tension continues, the two Communist States will not evolve some new form of international relations. Since Stalin's death there has been much talk in Moscow of co-existence between countries of different political systems; in the case of the U.S.S.R. and Yugoslavia another type of co-existence has already been achieved, namely co-existence between countries which, to all intents and purposes, are not so greatly different as far as their political systems are concerned. Russia has now abandoned her open hostility towards the Yugoslav Communist State; the incessant border incidents with Yugoslavia's Cominform neighbours have ceased, diplomatic relations have become more and more normal, the economic boycott of Yugoslavia by the Soviet Union and her satellites has come to a virtual end, and the outpourings of propaganda on both sides—riddled with an extremely liberal use of invective and abuse—are subsiding and giving way to ever-growing exchange of courtesies. Some contacts are also being established anew in the fields of culture and sport.

There is little doubt that the rift between Yugoslavia and the Cominform created major difficulties for the Soviet Union. Moscow's prestige in the satellite countries was lowered. Tito's defection created a completely new situation in the pattern of Communist policy: for the first time there arose an adversary within the orbit who would neither recant nor allow herself to be broken. Moreover, the Yugoslav leaders were not survivors of pre-1939 bourgeois political systems; on the contrary, they were professional revolutionaries with few middle-class associations, inhibitions, or scruples. The old Comintern, and the Soviet Communist Party itself of course, had known heretics; but Tito was the first of these to decline the offer to repent in sackcloth and ashes.

He knew Communist technique only too well from within: he and his colleagues would not go to Moscow, confess their sins, and expose themselves to extinction, either physical or political or both together. The situation was made even more piquant by Tito's vigorous denial of any imputations of heresy. The seat of Communist orthodoxy, he said, had been moved to Belgrade where most faithful Communist disciples of Marx and Lenin were building the Communist version of socialism in one country—in Yugoslavia.

Failing to suppress the Titoist deviation, the Soviet Union embarked on a policy of isolation of Yugoslavia and of open hostility towards her former ally, disparaging the Partisans' contribution to the war effort and claiming that the rulers of Yugoslavia were turn-coats, servants of Imperialism, foreign agents, and so on. The Cominform-imposed economic blockade certainly created major problems for the Yugoslav Government and people, but the Yugoslavs had been used to difficult times in the past. That in 1948 they were defying the whole world must have satisfied some of the more egocentric traits in their national character. Here, in a way, was a repetition of the war-time situation: once again they were cut off; and during the war, surrounded by enemies, they had been able to set up a successful resistance movement. Then, as an eye-witness, Brigadier Fitzroy Maclean, recorded, the outside world did not seem of immediate interest and importance to them: 'What mattered was *their* War of Liberation, *their* struggle against the invader, *their* victories, *their* sacrifices. Of this they were proudest of all, that they owed nothing to anyone; that they had got so far without outside help.'<sup>1</sup> Tito's defiance of Moscow must have enhanced his prestige with lukewarm supporters in his country: a continuation of the process that began during the war when this Communist's leadership became a rallying point of national aspirations. Moreover, the break with the Cominform has gradually brought Yugoslavia nearer to the West; and, accepting aid from the Western Powers (over \$400 million in aid and at least \$300 million in credits since 1950<sup>2</sup>), Yugoslav Communism has become more mellow and lenient in its internal policies, while the regime has lost some of its pronounced Police-State features.

From the Soviet point of view, the anti-Yugoslav policy—generally ascribed to Stalin himself—failed to produce any tangible

<sup>1</sup> *Eastern Approaches*, by Fitzroy Maclean (London, Cape, 1949), p. 324.

<sup>2</sup> *The Economist*, 16 October 1954.

gains; all the results were highly negative. Instead of collapsing in utter defeat and starving, the Yugoslav State, after some initial difficulties, began to thrive and continued to do so, entering into an ever-growing co-operation with the West and allowing for a certain amount of defence integration against potential aggressors in the Balkans, i.e. against Russia and her satellites.

Since 1948 many changes have taken place. The days when Tito's Yugoslavia had literally no friend in the world are a thing of the past. Despite the shock of expulsion from the Cominform, the Marshal and his colleagues for some time continued to appraise the Western world through Moscow-made spectacles: after all, they could not shake off at once that *Weltanschauung* which had been part and parcel of their lives for so many years. But gradually the Yugoslavs succeeded in freeing themselves of these fetters too: they ceased to view the West and its aims under the formulation of Communist *clichés*; they also showed willingness to be drawn into collaboration with the Western Powers, based on greater understanding. In fact, whether they like it or not, Tito's Communists have become a part of Western Europe. This too, from the Soviet viewpoint, is a highly negative result.

As long as Stalin was alive no attempts were made to alter this situation which appeared likely to continue for some time. But with changes in the Kremlin leadership a reversal came about, based principally on an attempt to salvage what could still be saved from the wreck of former Soviet-Yugoslav amity. Russian, rather than Yugoslav, overtures have led to a considerable improvement of relations—to their 'normalization', to use Tito's recurrent phrase which is coupled with renewed stress on his affirmation that Yugoslavia would never return to her pre-1948 satellite status. But Moscow has continued to curry favour with Belgrade, and by the end of 1954 it could be said that this policy had yielded definite results. Perhaps the most significant restatement of Russia's position towards Yugoslavia came in the customary political pronouncement of 6 November, on the anniversary of the Bolshevik Revolution, which was made this year by Maxim Subarov. Mr Subarov, a deputy to Mr Malenkov and chief of Soviet State Planning (i.e. presumably a close adherent of Mr Khrushchev's economic and other internal policies), went out of his way to discuss Moscow-Belgrade relations. He urged their 'complete normalization', and hoped that Yugoslavia would reciprocate the Russian efforts to renew her 'ancient bonds of friendship'. Recent

quarrels, Mr Saburov added, had benefited only the enemies of peace who were also the enemies of Russia and Yugoslavia. The inference was crystal clear.

#### AFTER THE DEATH OF STALIN

In order to see the present change in perspective it is necessary to go back to March 1953. Yugoslavia's relations with Russia and the satellites were then, perhaps, at their worst, especially since in February Tito had concluded a treaty of friendship with Greece and Turkey, thus placing himself in Moscow's eyes right in the middle of the Western camp—an action which provided plenty of embellishment for propaganda pictures depicting the Marshal as being in the pay of Western imperialism as its sworn agent and the oppressor of popular feelings in the Balkans. Tito's position towards the West was by now fairly strong. Before entering into his accord with Athens and Ankara, he had felt sufficiently confident in the closing months of 1952 to denounce the West for what he described as its failure to accept Yugoslavia wholeheartedly as an ally; he threatened to cancel his forthcoming goodwill visit to the United Kingdom, and complained about the inadequacy of Western aid. Moreover he made a number of gestures that seemed to be primarily intended as a show of strength: he broke off diplomatic relations with the Vatican; he seized some Italian fishing vessels; he rejected the Italian proposal to refer the Trieste issue to the International Court of Justice. All this did not appear too serious: in fact, assistance from the West continued to arrive in Yugoslavia at an increased rate.

Stalin's death was considered in Belgrade—as many Western correspondents cabled back at the time—as the best news since the war, and was received there with ill-concealed glee. As to foreign policy, a world without Stalin would obviously open up new vistas. When Tito came to Britain (16–21 March 1953) his unrivalled personal knowledge of Malenkov appeared to offer a major asset in the general re-appraisal of East-West relations. Shortly afterwards, Yugoslav leaders showed themselves only too willing to offer enlightenment to the world at large on the new Soviet policies. Early in April Kardelj was saying that the changes in Moscow had been conditioned by a search for popularity among the masses, and by an attempt to disavow Stalin's policy.<sup>1</sup> The new men in Moscow, as Tito himself put it, were trying a denial of

<sup>1</sup> *The Times*, 6 April 1953.

Stalinism.<sup>1</sup> This 'denial' had begun to show effects in Yugoslav-Russian relations. The 1953 May Day slogans failed to include references to the valiant Yugoslav people struggling against Tito and his capitalist masters, and on 29 April Molotov received the Yugoslav Chargé d'Affaires in Moscow, Djurić. It was, however, not until well on in May that the Western world learned of this meeting. As it resulted in the appointment of a new Soviet Chargé d'Affaires to Belgrade (Mr Kirsanov), Yugoslav circles in London made it known that the importance of the Molotov-Djurić interview should not be exaggerated: there were still no signs of a real *détente*, anti-Yugoslav propaganda continued to pour from Moscow and other East European capitals, and incidents were still taking place on the frontiers with Hungary and Bulgaria. If Russia had really wished to improve relations, it was added, she would have appointed a new Ambassador to replace Mr Lavrentyev, recalled from Belgrade in 1949.<sup>2</sup>

Nevertheless not many months elapsed before this too materialized. In fact, in July 1953 *agrément* was granted for Vassili Valkov to become the new Soviet Ambassador to Yugoslavia, and Dobrivoje Vidić was named Yugoslav Ambassador in Moscow.<sup>3</sup> When Valkov arrived in the Yugoslav capital at the end of July and Vidić took up his post at Moscow in September the formalities of a diplomatic rapprochement were completed.

In the meantime, Yugoslav policy also stood in need of a reappraisal. The easing of East-West tension could bring in its wake some new form of diplomacy by conference which might perhaps endanger the position of small States, and especially of Yugoslavia—still, as it were, rather precariously balanced on the razor's edge. The Yugoslavs must have felt uneasy about their newly-won positions, fearing—without much justification—that they might become the object of Great-Power bargaining if and when containment of Soviet Communism should give way to a division of the world into spheres of influences drawn afresh. Hence the line was adopted in Belgrade of offering advice to the Western

<sup>1</sup> In a statement to *U.S. News and World Report* (*Daily Telegraph*, 14 April 1953).

<sup>2</sup> *The Times* Diplomatic Correspondent, 20 May 1953.

<sup>3</sup> Valkov, appointed to Yugoslavia at the age of thirty-nine, is a former University professor. He had entered the Soviet diplomatic service in 1939. Between 1942 and 1945 he served as Counsellor in London, and was then until 1949 Russia's Ambassador to the Netherlands. Vidić, also a young man (he is thirty-six), after diplomatic service in London went in 1952 to Rangoon as Ambassador. A Communist Party member since 1937, he had a distinguished career in the Partisan movement. He had not previously been to Russia.

overs, re-emphasizing the strategic importance of Yugoslavia, and trying to obtain a satisfactory solution of differences with Italy. It must have also been thought that if, as the result of new policies, some changes were to be made, they should under no circumstances be at Belgrade's expense but at that of Rome. On 7 May Tito delivered a major foreign policy speech at Slavonaki Brod and referred to Churchill's call for Great Power talks. The Marshal deigned to approve the idea of a meeting, but only in an exploratory form. He voiced Yugoslavia's suspicions of deals among the Great Powers because of past experiences. The speech also contained some strong words directed against Italy and a novel approach to the Trieste issue. It was immediately noted in Rome that Tito was in fact reiterating the Soviet thesis, i.e., that the Italian Peace Treaty should be implemented in full and Trieste become an autonomous Free Territory. Thus Tito, it was felt in Rome (as *The Times* correspondent reported from the Italian capital), was 'aligning himself with the position which Russia has stubbornly held for eight years'.<sup>1</sup>

#### BETWEEN EAST AND WEST

But Tito was careful not to press his point too hard. Less than a week later, speaking to foreign diplomats and air attachés (with no Cominform representatives present) on the occasion of the tenth anniversary of the Yugoslav Air Force, he pledged his regime's loyalty to the West. The relations with the East, he said, were not yet satisfactory. 'They are still shooting rifles at us . . . Their press still attacks us. . .' Even if the Soviets were to moderate their propaganda, this would not suffice to change Yugoslavia's position overnight. All that Yugoslavia desired was normal relations with the Communist States in the East. The West should rest assured, or—as he declared—'Yugoslavia is not a fickle, turncoat country. Our people have never betrayed their allies.' Yugoslavia would never alter her attitude to the West, 'no matter what our relations with the U.S.S.R. might be', and would never forget the support given to her in the most difficult period of the country's history.

But the Yugoslav Government was also determined to obtain maximum advantages from the new climate in relations with the East. By the end of May the Foreign Secretary, Koča Popović, stated that if Russia was willing, Yugoslavia would be ready to negotiate the settlement of cold-war differences in the Balkans,

<sup>1</sup> *The Times*, 18 May 1953.



Fears could however also be discerned lest an improvement of relations with Moscow might have an adverse effect on Yugoslavia's links with the West. Speaking at Pazin on 16 June Tito foreshadowed further Russian concessions to the West, for the Soviets had been forced to abandon Stalin's policy which led into a blind alley. He admitted that the Soviet Government 'smiled a little at Yugoslavia'; but 'they will not blind us with their smiles'. Russia would never be able to rectify the wrong that she had done to Yugoslavia.

In the months that followed this theme was recurrent in Yugoslav statements, but by September a certain amount of nervousness could be discerned in Belgrade. Rumours were afoot that the West might offer some concessions to Italy over Trieste.<sup>1</sup> Finally on 8 October Britain and the United States announced that, in view of the failure of all previous attempts to solve the Trieste problem, they had decided to end the Allied Military Government in Zone A. It is not surprising that this statement, which appeared to open up the way to Trieste's eventual incorporation into Italy, provoked vigorous, outspoken, and bitter comments from Belgrade. In fact, relations between Yugoslavia and the West had reached a point of real danger. Four days later the Soviet Union sent notes to London and Washington describing the Anglo-American decision as a gross violation of the Italian Peace Treaty. On 13 October Mr Vyshinsky asked for an immediate meeting of the Security Council. In spite of the heat of the argument, the Yugoslavs assessed the situation in a cool and restrained way. Moša Pijade openly declared that the Soviet move was made neither in the interest of Yugoslavia nor of the people of Trieste; she cared for these no more now than she did in 1948.<sup>2</sup> The Russians were determined to take advantage of the situation; counter-moves followed, and on 15 October Mr Vyshinsky attended a party given by the Yugoslav U.N. delegation in what clearly appeared to many of those present as an attempt to embarrass the Yugoslavs in the midst of the Trieste crisis.<sup>3</sup>

Meanwhile, by the end of the year further steps had been taken to normalize relations with the Cominform States. A report presented to the Yugoslav National Assembly by the Executive Council on 28 January 1954 spoke of favourable developments in relations with Hungary, Bulgaria, and Albania, though Rumania

<sup>1</sup> *New York Times*, 13 September 1953 (despatch from Belgrade).

<sup>2</sup> *Politika*, 15 October 1953.

<sup>3</sup> *New York Times*, 16 October 1953.

Czechoslovakia, and Poland still failed to respond to the new trend. In March, with the Berlin Conference having achieved, according to Tito, 'some success', but having in fact failed to resolve main East-West differences, and with a better atmosphere concerning the Trieste problem, Tito was re-stating his position on the following lines, in an interview with *The Times*: 'So long as Europe is divided, Yugoslavia will hold to a kind of middle position. She can in that position be of much more use to Europe than if she were formally tied to a pact. Yugoslavia, it need hardly be said, is actually on the side of the Western Powers and her interests are identical with those of other European countries fighting to preserve peace.' As to relations with Russia, he added, the process of normalization had not moved very far: matters were still at the stage of exchanging envoys. Tito had one more grievance to air. To him economic relations were of interest too, and in this interview—as in some other statements made at about the same time—he extended feelers concerning an economic *rapprochement* with the East. The Marshal told the correspondent of *The Times*: 'We consider the first move should come from them, as they were the ones who broke economic contacts off at the time of the blockade.'<sup>1</sup>

Once again, before many months had passed, this wish also was granted. Barter agreements were concluded with Eastern Germany, Hungary, Poland, and Bulgaria. Finally, on 9 September, a Soviet trade delegation appeared in the Yugoslav capital. After three weeks of negotiation an agreement was concluded under which Russia would provide Yugoslavia with crude oil, cotton, manganese ore, coal, and newsprint. In exchange she would receive—in line with her new priorities for consumer goods—meat, tobacco, ethyl, alcohol, hemp, caustic soda, and calcium soda. About the same time the Soviet Union took another step towards bringing the cold war against Yugoslavia to an end: Cominform stations ceased the jamming of transmissions from Radio Belgrade, and a 'clandestine' propaganda centre known as 'Free Yugoslavia' ended its broadcasts from Moscow.

These developments have taken place in spite of further steps leading towards Yugoslavia's integration in Western defence. It seems that while moves were being engineered towards achieving a *détente* with Moscow, Tito was at the same time working hard to strengthen his position in a Western combination and by this

<sup>1</sup> *The Times*, 3 March 1954.

means to achieve a reversal of the imminent decision on Trieste which appeared likely to be unfavourable for Yugoslavia. Between 12 and 18 April he visited Turkey. There agreement was reached (and later endorsed by Greece) to convert the tripartite friendship treaty of February 1953 into a formal military and political alliance. This new Balkan Pact, with all the paraphernalia of high level staff consultations as well as co-operation between the Parliaments of the three countries concerned, brought Belgrade into full partnership with Greece and Turkey, both of whom are members of N.A.T.O.

On his return from Turkey, Tito began to speak of the possibility of Yugoslavia's eventually entering E.D.C.: though he and Popović were both deliberately vague in their statements on the subject, being careful not to commit themselves as to whether they had in mind the E.D.C. itself or merely a European community which might be brought into being after the existing difficulties (and especially the Franco-German complications) had been disposed of. After some procrastinations due mainly to the N.A.T.O. commitments of her two partners, Yugoslavia signed on 9 August 1954 the new Pact binding her with Greece and Turkey. Speaking some six weeks later, on 19 September, Tito told the West that his country was ready to enter a European Community, but she looked somewhat askance at N.A.T.O. for it was assuming what he termed a political colouring. Significantly, this speech of Tito's was reported in the Soviet press.

In the background, the Trieste problem continued to loom large. Obviously bearing this in mind, Tito was carefully watching his moves. On 5 October an agreement was finally initialled in London bringing the dispute to an end. There is no room here to discuss the details of the solution: the fact remains that it is in the nature of a mutually accepted compromise, and that the bitter rift between two important Western defence participants in that part of Europe has come to an end. The Soviet reaction was quick and quite unexpected: on 13 October Mr Vyshinsky, in a letter to the President of the Security Council, took notice of the new Trieste agreement and welcomed it as having been achieved by the parties chiefly interested and as being likely to ease tension in the area. Here was a complete volte-face; Russia abandoned her previous policy on Trieste, and in fact accepted (and thus *de facto* recognized) an agreement which, as *The Times* said,<sup>1</sup> 'a few months

<sup>1</sup> *The Times*, 15 October 1954.

ago they would have hotly denounced as a breach of the Italian Peace Treaty'.

This Soviet action, coupled with the end of the economic blockade and with numerous courtesies (of which the most significant was the appearance of Mr Malenkov, Mr Molotov, and Mr Khrushchev at a Yugoslav Embassy reception in the Russian capital on 28 November when they drank the health of *Comrade* Tito, of the Yugoslav Communist Party, and of the Yugoslav people<sup>1</sup>), constitute the most recent signs of the new spirit arising in relations between Moscow and Belgrade.

By the end of 1954 Tito appeared to have achieved a signal success in his attempt to 'normalize' relations with the Soviet Union. The obvious question to ask is why Russia so eagerly responded and extended her olive branches to Yugoslavia. To win over Yugoslavia would, no doubt, add enormously to the prestige of the present rulers in Russia, but such an outcome does not seem likely. Tito could have repented in 1948 from a position of weakness. Repentance in 1954 could come from a position of strength, but the final outcome would be identical in both cases, and a man such as Tito so well versed in the technique of Communist domination would have no illusions in this respect: now, as then, he and his regime could not survive. At the moment Yugoslavia may try to enjoy the best of the two worlds, but in essentials she seems to be firmly aligned with the West. A parallel could perhaps be drawn with a similar situation in the Balkans of the nineteenth century. Bulgaria, which attained liberation as the result of the Russo-Turkish war of 1877-78, within ten years became completely estranged from Russia. Alexander III withdrew his civil and military advisers from Sofia, just as Stalin withdrew them many decades later from Belgrade. While Alexander III was alive both countries continued to exist completely apart; things began to improve with the death of the Tsar, and normal relations were finally established. But when the first World War came Bulgaria was in the camp of Russia's adversaries.

G. L.

<sup>1</sup> In striking contrast to past utterances also was the broadcast to Yugoslavia on the tenth anniversary of Belgrade's liberation by General Gundurov of the U.S.S.R. Slav Committee. 'The blood jointly shed on Yugoslav soil by the best sons of the Soviet Union and of Yugoslavia has cemented the historic friendship of the Soviet and Yugoslav peoples' (Moscow Radio in Macedonian, 20 October 1954).

## *Britain and the European Continent*

THE revised Brussels Treaty has been generally hailed as a diplomatic masterpiece, providing a last-minute alternative method of German rearmament after the French rejection of the E.D.C. Its clauses and protocols on the control of the level of forces and arms on the Continent seem to amount to a workable system: the German Federal Republic's voluntary limitation of armament production reassures its partners: and the relationship between the organs of Western European Union of the Seven and those of the North Atlantic Treaty Organization of the Fourteen has been carefully elaborated.<sup>1</sup> Much less clear is the general political range of W.E.U. and, in particular, the role which Britain expects and is expected to play in it. The new British commitment of forces to the European Continent proved, with the Franco-German agreement on the Saar,<sup>2</sup> to be the key to final success at the London and Paris conferences. It has further been widely and vaguely assumed that, following the frustration of the six-Power movement towards federation, Britain is now called upon to lead W.E.U., whose main organ, the Council, is to have its seat in London. It is interesting in the light of this assumption to examine the only parliamentary debates which have at the time of writing been held in a major country member of W.E.U.: those in the House of Commons and House of Lords last November.<sup>3</sup>

Both Houses were naturally concerned with the commitment of the present British forces to the Continent for the rest of the twentieth century. Announcing the measure, Sir Anthony Eden remarked: 'They shall stay there as long as our Western European Union so determines.' But reactions to the new pledge were in the main extraordinarily mild and colourless. A number of speakers emphasized that in past centuries it was more normal to have British troops on the Continent than not. Others, including Mr Gaitskell, hoped that the commitment of troops to Germany would not cost too much or, if it did, that the other Western European countries would help Britain out. 'The Paris agreements,' said Mr Gaitskell, 'are of value and benefit to all the Western European

<sup>1</sup> Cf. *Documents agreed on by the Conference of Ministers held in Paris October, 20-23 1954*. H.M.S.O. Cmd. 9304.

<sup>2</sup> Cf. *Agreement between the Government of the Federal Republic of Germany and the Government of the French Republic on the Saar Statute, Paris, October 2 1954*. H.M.S.O. Cmd. 9306.

<sup>3</sup> Cf. *Hansard, House of Commons*, Vol. 533, nos. 182-3; *House of Lords* Vol. 129, nos. 123-4.

countries. I cannot see why the cost of those should fall, as it were fortuitously, solely on the three occupying Powers.' Mr Bellenget demonstrated how inconvenient it would be if the four divisions and the second Tactical Air Force were withdrawn and stationed in Great Britain.

In general the British pledge was calmly received by both Houses as an expedient expertly designed to retrieve the European diplomatic situation. Thus almost none of those Members who opposed or criticized the Paris agreements did so on account of Sir Anthony Eden's pledge. In some measure perhaps this attitude was due to the proviso referring to the case of an acute overseas emergency.<sup>1</sup> As Lord Layton pointed out, 'Our promise to consult and accept a majority decision of the Western European Union, immensely important as it is symbolically, is also accompanied by an escape clause.'

If most speakers took a rather pedestrian line on W.E.U., some others, mostly delegates to the Council of Europe at Strasbourg, expressed more positive views on Britain's continental role. Mr Julian Amery declared: 'The Government have recognized that we must accept commitments on equal terms with continental nations and that we must accept commitments greater than those accepted by the United States. Continental statesmen on their side have recognized that it is no use trying to build a united Europe on a federal basis because there is no possibility of Britain's accepting it.' Mr Amery even went so far as to hope that some of the power of the supranational High Authority of the European Coal and Steel Community would be transferred to its inter-governmental institutions. Sir Robert Boothby, another prominent *strasbourgeois*, rejoiced at the death of the E.D.C., claimed a part in its murder, and welcomed the birth of 'the conception of a united Western Europe under British leadership'. Mr Wade attributed the frustrations of the European movement during the last five years to British passiveness. It would be unwise, he said, to forget that W.E.U. was much more than a military affair, the object of the new system being 'to promote the unity and to encourage the progressive integration of Europe'. Britain and Britain alone could provide the drive needed to attain the goal, which was the creation of a 'loyalty to Europe stronger than the old national loyalties'. Mr Healey said that on no account must the present or any suc-

<sup>1</sup> 'This undertaking shall not, however, bind Her Majesty in the event of an acute overseas emergency' (Cmd. 9304, p. 38, Article 6).

coding Government 'repeat the shabby episode of hypocrisy and deceit to which I am afraid the Prime Minister, the Minister of Defence, and the Minister of Housing and Local Government contributed (when) they gave at Strasbourg a completely false impression of their real approach to the European problem'. The Minister of Defence (Mr Macmillan), for his part, claimed that the European Army proposed by Mr Churchill at the same Strasbourg in 1950 was now being realized under Western European Union. 'A way has now been found,' said Mr Macmillan, 'which enables Britain to play her full part, both as a great Imperial and as a great European Power.'

In the Lords, on the other hand, the leader of the House, Lord Salisbury, claimed no more for W.E.U. than that it enabled Britain to join the continental members on terms of equality, a status impossible with the E.D.C. Lord Layton, the House's expert in European integration, welcomed the agreements but feared the bemusement of the public at the spectacle of yet a further European organization beyond N.A.T.O. and the Council of Europe. Lord Layton was also apprehensive of the 'insular instincts' of the British which might prevent them from giving that lead in Europe without which Western European Union could not gather strength. In his concluding speech in the Commons the Foreign Secretary said: 'We must try to create in another form something of the spirit of unity in Europe which underlay the E.D.C. scheme;' and later: 'I do not think it is in my power to lay down some remarkable economic programme for the new Brussels Powers to work out. We have given them certain tasks . . . the Saar, for instance, which is very important, and armaments production . . . we shall try to work out new proposals which do not conflict with existing organizations, which will allow Western unity to grow. In other words the lesson of the whole of the arrangements is that unity can only grow; it can never be imposed in these matters.'

The reticence of Members during the debates was probably due in part to their preoccupation with the larger questions of German rearmament, German reunification, and European relations with the U.S.S.R. But it seems nevertheless that neither Parliament nor British public opinion as a whole has yet responded to the challenge implicit in W.E.U. The Preamble to the Brussels Treaty of 1948 expressed the resolve 'to strengthen . . . the economic, social, and cultural ties by which (the Powers) are

ly united; to co-operate loyally and to co-ordinate their efforts to create in Western Europe a firm basis for European economic recovery'. In 1954 the 'modifying protocol' describes contracting parties as 'inspired by a common will to strengthen unity and security; desirous to this end of promoting the unity and encouraging the progressive integration of Europe'. It is clear the language of 1954 is to some extent influenced by the philosophy of supranationalism, as already being practised by the E.C. A comparison of the Brussels Preamble with the Preamble to the E.C.S.C. Treaty shows the former's infinitely more naive and conventional character. The latter runs: 'Considering world peace may be safeguarded only by creative efforts as well as the dangers menacing it; convinced that the contribution of an organized and vital Europe can bring to civilization is sensible to the maintenance of peaceful relations; conscious of the fact that Europe can be built only by concrete actions creating real solidarity and by the establishment of common bases for economic development; desirous of assisting through the expansion of their basic production in raising the standard of living and furthering the works of peace; resolved to substitute for historic rivalries a fusion of their essential interests; to establish, by creating an economic community, the foundation of a broad and independent community among peoples long divided by bloody conflicts; to lay the bases of institutions capable of giving their direction to their future common destiny.'<sup>1</sup>

It is evident that the Paris agreements commit Britain to nothing other than (1) to abide by a majority ruling of the Foreign Ministers of W.E.U. in the rather remote contingency of Britain's agreeing to reduce her continental forces; and (2) to participate in control of the level of arms and forces of the Seven on the Continent by a seven-Power agency which has no jurisdiction over the greater part of British stocks of arms, which is elsewhere, or the whole of the British armaments industry.<sup>2</sup> The British vote on the Council of W.E.U. will therefore be voting, as far as control is concerned, on matters of policy inevitably more in French and German interests than to British interests. For instance, Article 22 of Protocol IV on the arms Agency entitles the Agency to satisfy itself that armaments produced by all member

<sup>1</sup> *Treaty establishing the European Coal and Steel Community*, English text published by the High Authority of the E.C.S.C., p. 7.

<sup>2</sup> Cmd. 9304, p. 47, Article 9: 'The operations of the Agency shall be directed to the mainland of Europe.'



countries other than Britain ostensibly for export are imported.<sup>1</sup> Article 10 also requires that the Agency, through its secretariat, should 'direct its attention to the production of plans and components',<sup>2</sup> from which control Britain is exempt. The justification of British participation in W.E.U. on the terms agreed in London and Paris is presumably that Britain is well qualified to act as mediator (probably at the head of the Benelux group) in case of conflict between France and Germany. Britain seems especially cast for this role in the matter of the Saar under the Franco-German agreement of 23 October 1948. The Council of W.E.U. is to appoint a European Commissioner for the Saar to represent the territory's interests in foreign affairs and defence. He will speak for the Saar at meetings of the Council.<sup>3</sup> The Council of W.E.U. is intended to supervise the observation of a statute which neither Britain nor four other of the member countries are parties to at all. In general, therefore, it may be said that one of the purposes of W.E.U. is to associate Britain institutionally with certain decisions principally affecting France and Germany. There is clearly need of this mediatory British role, which is probably essential to a Franco-German *rapprochement*. But a point of contention is likely to arise at home and abroad if Britain's role as 'temporary nanny' is confused with that of a leader in a crusade for a European Union. 'Western European Union' seems indeed a poor title for Brussels Treaty No. 2 as 'Western Union' was the title of Brussels Treaty No. 1. Neither is, in the terms of its statute, anything like a Union in the accepted constitutional sense. Both are alliances. Brussels No. 2 has, however, a curious hybrid nature: a consultative assembly, composed of representatives of the Brussels Treaty Powers to the Assembly of the Council of Europe, which is to discuss all W.E.U.'s activities but especially the control of armaments. This must be the first international assembly which has ever publicly criticized the workings of a military alliance.

The terms of association defined in the revised Brussels Treaty and the whole suggest that Britain is called upon to preside over a regional military alliance. Her European role, which certainly coincides with her national interest, will henceforth be to stimulate the creation of a single Western European military power well serving the balance of political power between the West

<sup>1</sup> *Ibidem*, p. 49, Article 22.

Cf. Cmd. 9306, Article 3(c).

<sup>2</sup> *Ibidem*, p. 47, Article 10.

European nations which compose it. In the context of the cold war Britain's special task will, it seems, be that of furthering Franco-German *rapprochement* by assuming a certain responsibility in matters not of immediate concern to herself.

An important factor in the present intra-European diplomatic situation is the French proposal for the standardization and co-ordination of arms production. This proposal resulted in the Resolution adopted by the nine-Power conference in October that a seven-Power working group should study the question in Paris on 17 January.<sup>1</sup> For both strategic and economic reasons it is desirable that much of Western Europe's armaments production should be co-ordinated. So far the appropriate N.A.T.O. authorities have found the framework of the fourteen too large and their strategic and economic interests too diverse for standardization and co-ordination to be possible except in certain rather less important sectors. It is now hoped that the seven nations will be able to obtain better results through their geographical proximity and common strategic interest.<sup>2</sup> Without, therefore, duplicating work done by N.A.T.O., W.E.U. should be able to act as a pressure-group on its authorities. Whether all the members of W.E.U. agreed on certain measures of co-operation or whether the member countries split up into several groups according to the category of arms envisaged, the Council of W.E.U. should, it is suggested, remain the sponsor<sup>3</sup> of all the agreements reached. No such activity on the part of W.E.U. is prescribed in the new Brussels Treaty. If, however, it did come about, very considerable political and economic significance would be given to the seven-Power regional alliance. Clearly, also, Britain's position as leader of W.E.U. would be judged by the measure of her participation in these intra-European agreements for standardization and co-ordination.

Britain's present continental role in economic affairs arises simply from her membership of a number of European institutions of which the most important is the Organization for European Economic Co-operation, to which the European Payments Union is attached. Recently, however, the British Government has signed

<sup>1</sup> Cf. Cmd. 9304, p. 51, *Resolution on Production and Standardization of Armaments*.

<sup>2</sup> Of the seven nations members of W.E.U. only one, Italy, does not belong to the Central European Command of S.H.A.P.E.

<sup>3</sup> It has been suggested that the Council of W.E.U. should appoint an enduring *ad hoc* committee to promote co-operation in armaments production.

a treaty of another kind, that of Association with the European Coal and Steel Community.<sup>1</sup> This provides a permanent board of association composed of four British members and four representatives of the High Authority. The object of this board is co-ordinated action, following obligatory consultation. In taking this action the British Government has begun the second of the three phases of British continental action suggested by M. Jean Monnet: 'observation; association; membership'. The action is perhaps also consonant with the philosophy of 'country-membership' of European union which Sir Oliver Franks has lately been propagating. 'We pay our subscription and take on our obligations but not the full subscription or all the obligations of the regular members, our continental neighbours. It seems to me,' added Sir Oliver, 'that recognition of our positive involvement and giving real effect to it . . . was responsible for the great success of the negotiations for a Western European Union.'<sup>2</sup>

The delicacy of the British relationship to the Continent in 1954, as in all the years since the war, is due to the fact that Britain, although spiritually and materially the most powerful of the Western European nations, is disqualified by a number of familiar circumstances from leading the movement towards European Union. The six-Power federal movement, which dated from 1950, was an attempt to bring about the union without Britain. At present this attempt seems to have failed, partly, no doubt, on account of five years of British equivocation and half-heartedness in regard to continental problems. Western European Union is, as Mr Julian Amery suggested in the House of Commons, a fresh chance for British leadership. But it is also a fresh forum for obscurity and vacillation. Little is likely to be achieved by pretending at the outset that W.E.U. replaces six-Power federation, unless from the first day onwards 'Great Britain continues in the lead and pursues an active policy of collaboration with our Allies in Europe in all the fields of international relationships'.<sup>3</sup>

C. N. J.

<sup>1</sup> Cf. *The Economist*, 11 December 1954, p. 890

<sup>2</sup> Cf. *The Listener*, 2 December 1954: 'The End of the Old World', by Sir Oliver Franks.

<sup>3</sup> Lord Layton in the House of Lords debate.

## ***The 'New Line' in Hungary***

### ***Politics and Economics under the Nagy Government***

On 28 November 1954 municipal elections took place in Hungary. Viewed from outside the country, these elections seemed to differ very little from the previous ones held since 1948, the date of the *de facto* liquidation of the non-Communist parties. Voters were again led upon to give their verdict for or against candidates proposed by the Patriotic Popular Front, and in effect nominated by the Communists. Moreover the results of the elections brought no surprises: 97.9 per cent of the votes cast went to the official list, and only some 110,000 voted against it. To all appearances, therefore, there was nothing to justify the authorities' claim as to the 'new' character of these elections which, according to them, were to mark an important stage towards the 'democratization' of the country. In fact they reflected the ambiguous nature of the political experiment which has been going on since mid-1953 and which is associated with the name of the present Prime Minister, Imre Nagy.

#### **THE BIRTH OF A RIGHT-WING OPPOSITION**

From the political point of view, the chief aim of this experiment is 'to re-establish contact between the ruling party and the masses, especially the peasants'.<sup>1</sup> The policy of accelerated industrialization pursued by the Communist Government between 1949 and 1952—a policy whose aim was to make of Hungary, in the words of Ernő Gerő's ambitious slogan, 'a country of iron and steel'—had in fact by the winter of 1951–2 produced an increasing state of tension between the Communist bureaucracy and the workers, peasants, and technicians. In their efforts to provide the raw materials and equipment needed for heavy industry, whose expansion was being pushed beyond all reasonable limits, the economic authorities had found it necessary to step up exports of agricultural produce. To this end they adopted draconian measures in order to extort from the peasants practically the whole of their production. After the harvest of 1951 the barns and storehouses of the peasants, whether organized collectively or as individuals, were stripped bare. There was a shortage of bread and potatoes in the

See article by Imre Nagy in *Szabad Nép*, 20 October 1954.

countryside such as had never been known within living memory.

The peasants' anger and the workers' despair—for they too had not enough to eat—were approaching a point where explosion was inevitable. The relatively good harvest of 1952 postponed the crisis without resolving it; but a growing number of Communist leaders were beginning to realize the need to modify not only the industrialization Plan but also the Party's policy as a whole. In 1950 and 1951 Mátyás Rákosi, who had been won over by Gerő to the policy of out-and-out industrialization, could still dispose of his opponents (such as, for example, the former Minister of the Interior, János Kádár) by methods of repression, handing them over to the Security Police (AVO) controlled by his henchman Gábor Peter. But by 1952 opposition within the Party's Central Committee itself had become too strong to be eliminated by mere police methods.

This opposition was led by the Party's foremost agricultural expert, Imre Nagy. A Communist of the Moscow Old Guard, Nagy, possibly because of his rural background coupled with his past as an industrial worker, remained more sensitive to the 'voice of the people' than did the ideologist Rákosi, living in remote authority. Nagy's opposition, moreover, goes further back than 1952. As early as 1948 he had protested against the speeding-up of the collectivization campaign which followed on the expulsion of the Yugoslav Communist Party from the Cominform. At that time he was provisionally removed from the Politbureau; but after his rehabilitation in 1951 he returned to the attack on the Rákosi Government's economic policy. Since then he appears to have received some encouragement from Moscow, where certain experts also viewed with anxiety the growing unpopularity of the regime in Hungary. Stalin himself, in his last pamphlet, *Economic Problems of Socialism*, published in September 1952, lent, if involuntarily, some support to what might be termed the Hungarian Communist 'Right Wing'. For he there envisaged the possibility of a conflict between 'the relationships of production and the forces of production'—in other words between the Communist Governments and the working masses, the organizers and the producers—in the event of the leaders 'persisting in applying a mistaken policy'. It was with Stalin's book in hand, seemingly, that Nagy and his friends urged a more equitable policy which might ward off the crisis that threatened.

The uncertainties which arose in the highest strata of the Soviet

and Party after the death of Stalin accelerated the development of the new schemes in Hungary. For some months the leaders (as, no doubt, in the other satellite countries too) were left to their own devices by Moscow. But Rákosi, Gerő, and his associates were concerned to profit by this interregnum in order to consolidate their own positions. The elections of May 1953 were organized completely on the old lines as if nothing had happened in the Kremlin or the world. Rákosi's team even went so far as to draw up, without the knowledge of the other members of the Politbureau, a new Plan which in its general lines reflected the unbridled ambitions as its predecessor.

Imre Nagy and his colleagues reacted violently to these steps. Rákosi, Gerő, Nagy, Farkas, and Dobi were all sent to Moscow, where Malenkov acted as arbitrator in the dispute. Time pressing, and action had to be swift if Hungary was not to become the scene of events similar to those of Pilsen and Berlin, and disorder was not to spread throughout the countryside. Rákosi agreed to bow to higher authority and give up the Premiership to Imre Nagy, while Nagy received encouragement in his scheme for putting into effect a new policy, on the lines of the NEP, which would be in conformity with the policy of appeasement inaugurated by Malenkov and his colleagues.

#### THE CHANGE-OVER TO COLLECTIVE LEADERSHIP

After the delegation's return to Budapest a meeting of the Central Committee was at once convened. It adopted, on 28 June, a series of decisions which concerned changes in the leadership of the Party and in the Government, rather than the introduction of a wholly new policy. On 2 July 1953 Rákosi resigned from the Premiership, and on 4 July his successor, M. Imre Nagy, presented the Government to Parliament. His inaugural speech caused a sensation: he roundly condemned his predecessor's policy and in the face of the forced march towards industrialization announced a programme based on an improvement in the standard of living and a return to legality.

Supporters and opponents of the regime alike vied in discussing the move: did it signify a retreat dictated by tactical considerations or a more far-reaching modification of aims? But the question seems to be badly framed. Ever since the advent of the Soviets, Communism has always had a two-fold aspect: on the one hand it envisaged, the bringing-about of a complete domination

imposed by terrorist methods (Leftist Communism, planning pushed to the limit, collectivization), while on the other hand it might aim at infiltrating by means of a policy based on the true aspirations of the workers. Doubtless the objective of M. Imre Nagy, no less than of M. Rákosi, is the maintenance in power of the Party, but that need not prevent either of them from entertaining diametrically opposed ideas as to the means to achieve it.

In June 1953 Imre Nagy emerged victorious. But his victory was by no means complete. Taking as its model the new organization of power in the U.S.S.R., the regime in Hungary moved over from 'personal' to 'collective' leadership, to a policy of balance and compromise. But although some too zealous partisans of the earlier policy were eliminated from the Politbureau and the Government, the men mainly responsible for that policy, Rákosi and Gerő, remained. Rákosi was appointed Secretary, and later on in August first Secretary, of the Party, while Gerő retained his post as Senior Deputy Prime Minister and further was given the key position of Minister of the Interior.<sup>1</sup>

Rákosi's group was checked but not crushed; and it lost no time in profiting by the ferment aroused throughout the country by the swift change of policy. On 11 July 1953 Rákosi, addressing the activists, made it plain that the Party machine was in no wise resigned to abandoning the controls. True, he recognized the mistakes of the past, affirmed the need for a new policy, and gave his blessing to the Nagy Government; but the new policy, he emphasized, should be kept within limits compatible with the Party's authority and prestige. The most important part of his speech was addressed to Communist officials in the rural districts. He declared that, though the collectivization campaign was to be provisionally suspended, collectivization remained the supreme end in view. The Communist Party would oppose with all its strength the dislocation of the collective sector; only a few co-operatives which had been formed under compulsion and had proved quite unworkable would be authorized to dissolve. The Government was in fact later compelled to intervene against the movement to abandon the co-operatives, which in many districts had been assuming formidable proportions at the height of the harvest.

<sup>1</sup> Unlike the U.S.S.R., where the foremost place in the hierarchy is occupied by Malenkov, the Prime Minister, and where the first Party Secretary, Khrushchev, is only No. 3, in Hungary Rákosi continues to occupy the first place, with Nagy, the Prime Minister, as a 'brilliant second'.

## THE NEW POPULAR FRONT

From the summer of 1953 onwards the whole political and economic life of Hungary bears the stamp of the ambiguity inherent in a leadership within which two opposing trends exist, the one reformist and the other extreme Stalinist. As for M. Nagy himself, he relied for support on some members of the Politbureau, in particular Antal Apró, the former trade union leader, and later on Mihály Farkas, who rejoined him rather from opportunism than from conviction; on the majority of the intellectuals, whether avowed Communists or sympathizers; and, lastly, on unorganized public opinion which, after some hesitations, had come to recognize in him the defender of their aspirations towards a sort of Hungarian Titoism. Against him were the majority of the higher Party officials, who feared, and still fear, that the 'liberalization' embarked on by the new Government might soon overstep the limits originally set for it. Accustomed to command a terrorized populace, the Party machine is alarmed at the prospect of a popular reawakening and fears that it may be swept aside by a populace which might interpret as signs of weakness the concessions granted to it.

The Popular Patriotic Front, whose formation Nagy announced to the Party Congress of May 1954, is itself the result of a compromise between the two rival trends within the Communist leadership. It seems that originally Imre Nagy and his friends (among whom the peasant writers Paul Szabó and Péter Veres have played a particularly active part) thought of making the Popular Front a genuine mass organization which would open its doors to elements of the population that had hitherto remained outside political life. While seeking to retain control of this Front, the Communists of the Nagy trend appeared willing to accord a considerable share in its leadership to the non-Communist intelligentsia. In this way the Front could serve as liaison between the country and the Government, which was handicapped by its lack of a popular basis. It would thus compensate to some extent for the absence of a Peasant Party, whose reconstruction would have involved risks which M. Nagy himself would not dare to incur.

But even this timorous conception of a Popular Front could not obtain the support of the Left-wing group. This group feared, in fact, that the leadership of the Front might move from the Communists into the hands of the non-Communist elements, and that the Front might be transformed into a second party which would



become the main party in the country and the instrument of democratization. It was therefore decided after prolonged discussions that (1) the Front should not be a mass organization but merely an assembly grouping together the Communists, their satellites, and some independent elements chosen at will who could participate as individual members; and (2) the Front should not possess local organizations but merely local Committees which should be of a 'representative' character, taking into account the preferences of the local population.

It was on these lines that the Front was finally organized. True, the formation of the Committees gave rise to some incidents. Local Communists tended to constitute them in such a way as to ensure for themselves a comfortable majority of 60 or 65 per cent; whereupon the inhabitants, taking literally the encouragements dispensed by the press, in some instances appealed to the higher authorities who intervened and annulled the Committees in question. Fresh ones were then set up in which the Communists were in a minority. But such cases were exceptional. In the country as a whole the operation was accounted a 'success' for the Party machine. Nevertheless, if the aim of the Front was, as one of the protagonists of the Nagy policy, the 'populist' sociologist Ferenc Erdei, proclaimed,<sup>1</sup> to enlist the political activity of the passive and indifferent elements, this aim was at least partially achieved. Many new men appeared on the Front Committees, members both of the old and of the new intelligentsia, and even some well-known figures of the past who had remained in the background since 1947. The composition of the Front Committee in Budapest, for example, will serve to demonstrate the character which the authorities sought to give to these Committees. It is presided over by a former (non-Communist) Mayor of the city; its vice-chairmen are the secretary of the Party Committee in Budapest and the deputy chairman of the Municipal Council; its secretary is the local secretary of the Peace Committee; and among its members are two heads of industrial concerns, a university professor, a Catholic canon, a Protestant bishop, a General, a Stakhonovite carpenter, a journalist, a sculptor, and the secretaries of the Youth Movement, the Trade Union Confederation, and the Women's Union.<sup>2</sup>

<sup>1</sup> *Szabad Nép*, 15 October 1954. On 31 October Erdei became Minister of Agriculture.

<sup>2</sup> The Front Congress met on 24 October 1954 and elected as national Chairman the 'populist' writer Paul Szabó.

By and large, these proportions were observed in the Committee membership throughout the country. The composition of the municipal Councils elected on 28 November also followed similar lines. It is interesting to note that the Government, through a series of decrees adopted on the eve of the elections, considerably extended the economic and financial powers of the popular Councils. The elections took place under the aegis of the Popular Front emblem—a tricolour cockade with the promising slogan 'Independence'. Naturally, the post-electoral role of the Front is still ill-defined; but it seems that the Nagy trend has hopes of making it into a living organization, with roots in both town and country, which may eventually serve as a counterpoise to the preponderant Party machine. The newspaper *Szabad Nép* will henceforth have a dangerous competitor in the erstwhile independent paper *Magyar Nemzet*, now promoted to be the organ of the Front, which numbers among its editors several well-known journalists including the former Secretary of State Géza Losonczy, recently liberated and rehabilitated.<sup>1</sup>

#### VICISSITUDES OF THE NEW ECONOMIC EXPERIMENT

If the Right and Left trends within the Hungarian Communist Party were strongly opposed on the political plane, their differences in the economic sphere were even more violent. The struggle seems to have reached its culminating point at the last plenary session of the Central Committee which met in Budapest on 1 to 3 October. The discussions which then took place between the representatives of the two trends can be reconstructed from articles in the daily *Szabad Nép*: a report of 10 October; commentary of 11 October; account of a speech by István Kovács, of 12 October; a somewhat sensational article by Imre Nagy, of 20 October; a resolution of the Committee, published on 22 October; and an article of 27 October by Zoltán Vas, who after having been removed from the post of head of the National Plan Office in 1952 by his implacable rival Ernest Gerő appears to have acquired increasing influence under the Nagy regime and is at present chief of the newly-created Government secretariat.

On 14 October discussions took place concerning a report on the economic situation presented by the Plan's Chairman, Béla Szalai<sup>2</sup>, a member of the Politbureau. This report can be summar-

<sup>1</sup> Losonczy was arrested for Titoism at about the same time as the former Ministers János Kádár and Gyula Kállai.

<sup>2</sup> Since then replaced as head of the Plan Office by Andor Berei.

ized as follows: the Government has succeeded, by means of a series of measures introduced since July 1953, in increasing the purchasing power of the public, and in particular of the peasants; but it has failed to provide light industry and agriculture with the impetus necessary to satisfy this increase; and the growing gap between expanding purchasing power and stagnant production is creating a danger of inflation which is forcing the Party and the Government to reconsider their whole economic policy.

The positive results, as far as the improved standard of living is concerned, seem undeniable. Since June 1953 the Government has decreed two reductions in prices, the first affecting over 800 articles of clothing and the second some 10,000 varieties of consumer goods. Thanks to these reductions the population has been able to realize economies of something like 1,500 million florins.<sup>1</sup> The amount of the virtually forced loan of 1953 and 1954 was perceptibly reduced. The Government also adopted spectacular measures to appease the peasants. The debts they owed in the form of deliveries to the State were annulled or reduced, and the penalties inflicted for failure to deliver agricultural produce at the appointed time were likewise cancelled. Their taxation arrears were annulled in whole or in part, and at the same time compulsory deliveries were reduced while the prices paid for produce were increased. A more advantageous system of contracts between the State and the peasants was introduced. Moreover, the Government reduced the rates paid for loans of agricultural machinery, introduced free veterinary and administrative services for the whole agricultural community, and suppressed the 'black list' of kulaks.

Parallel with these measures of appeasement in the countryside, certain categories of workers, notably the miners and metallurgists, received wage increases representing an annual rise in total wages of some 762 million florins. Pensions were also increased, housing construction was speeded up, and retail trade improved to such an extent that 100,000 licences were granted to small shopkeepers and artisans who wished to reopen their shops. As a result of all these measures workers' wages in the first half of 1954 were 15·8 per cent above the figure for the corresponding period in 1953 (when, incidentally, they had reached the lowest level since 1949). At the same time average prices for consumer goods fell by 8·3 per cent. The food situation improved considerably, especially as to bread,

<sup>1</sup> Cf. resolution of the Central Committee of 31 October 1953.

flour, and sugar; though supplies of beef, fats, and tinned meat are still precarious.

So much for the positive side of the experiment. But the negative side of the balance still weighs heavily.

First and foremost, agricultural production is still advancing much more slowly than was anticipated. True, there have been some positive results. The area sown has been increased, and a fresh impulse has been given to vine and fruit growing, which had been neglected in previous years despite the importance of this sector for the country's export trade. Production of vegetables has been stimulated, notably that of onions and paprika, both of them export items; and pig production, with an increase of 1,100,000 head, has reached the highest level since the liberation.

But these results still fall far short of the hopes entertained in 1953. The production of the State farms, which are short of skilled technicians and labour, remains unsatisfactory. A large proportion of the agricultural co-operatives, despite their recent reform, still produce less than the individual peasants.<sup>1</sup> Delays in the delivery of farm machinery on order have held up the advance of modern methods in farming. Only 51 per cent of the tractors ordered had been delivered by October 1954. Agriculture has also not benefited by the regrouping of cadres decided on in 1953.<sup>2</sup>

Secondly, the rate of conversion of a part of heavy industry to production of consumer goods and agricultural machinery has also been too slow. The modified plan for 1954 envisaged a reduction of 2 per cent in the production of capital goods, as against an increase of 16 per cent in that of consumer goods. But even these modest plans have not been realized; the building industry in particular has lagged behind. Thus, on paper, investment in the industries working for consumption has been raised from 4.3 to 7.9 per cent of total investment, but in practice light industry has not greatly profited by this increase.

The situation in the basic industries is not much more satis-

<sup>1</sup> According to an article in *Szabad Nép* (3 November 1954), a quarter of the co-operatives are functioning really badly, and the majority of them are running at a loss. In another article in the same paper (28 October 1954), Ferenc Erdei, appointed Minister of Agriculture on 31 October, deplors the tendency of the peasants in co-operatives to increase their own plots of land at the expense of the collective land. These peasants still regard collective work as a form of forced labour; they give their best efforts to work on their own plots, whose produce they sell on the free market.

<sup>2</sup> In the 1954 Budget investment in agriculture represented 24 per cent of the total, as against 13.7 per cent in 1953. But only 50 per cent of these credits had been utilized by the end of September 1954.

factory. The iron and steel industry, the building materials industries, and coal-mining have all failed to reach their targets even though these had been lowered. Coal production, in particular, was 350,000 tons behind schedule in September, and the position deteriorated further in October-November. Industrial life as a whole seems to be suffering from exhaustion.

What has made the situation even worse is that production costs, instead of falling, as was anticipated, by 0.2 per cent, have increased by 2.8 per cent. The Government had forecast a modification of the wage system, aimed at stimulating the worker's interest with a view to an increase in productivity and a reduction in production costs; but these decisions have not been carried out.

A third source of anxiety for the Communist leaders is to be found in the practically unchanged level of Budget expenditure as compared with the fall in receipts.<sup>1</sup> In recent years administrative expenditure has increased much more rapidly than national income.<sup>2</sup> Other inflationary factors are the unsound economic position of many factories; the over-liberal credit policy of the National Bank; and the rapid development of certain investments such as those devoted to the colossal construction of Sztalinváros.<sup>3</sup>

From this brief sketch it will be seen that M. Ernő Gerő was not wrong when he affirmed, in a speech given at Szolnok,<sup>4</sup> that the increase in the standard of living and in trade on the home market has only been obtained 'on credit', by utilizing reserves, cutting down investment, and 'mortgaging the future'. The Nagy experiment has, in fact, reached a point where failing the application of a definite and energetic policy the threat of inflation could soon become real.

#### FUTURE OF THE EXPERIMENT. ADVANCE OR RETREAT?

The October session of the Central Committee gave the adversaries of M. Nagy the opportunity to draw up a veritable indictment of the new policy which in their view was both demagogic

<sup>1</sup> Budget expenditure for 1954 was fixed on 18 June at 47,925 million florins, as against 49,028 million in 1953. Anticipated income was estimated at 49,794 million florins. The fall of 12 per cent in yield from direct taxation, which from 4,220 million florins in 1953 fell to 3,696 million in 1954, was to be compensated by the rise expected from the increase in production, in turnover tax, and from the profits of State industries. But this increase has failed to materialize, and on the other hand expenditure on investment has gone up.

<sup>2</sup> Cf. article by G. Baca in *La Revue Statistique*, September 1954, according to which between 1949 and 1953 the number of technicians per 1,000 workers rose by 24.5 per cent and that of administrative personnel by 12 per cent.

<sup>3</sup> Cf. article by Zoltán Vass, *Szabad Nép*, 27 October 1954.

<sup>4</sup> *Szabad Nép*, 18 October 1954.

and opportunist. Two important trends can be discerned in their criticisms. The first came from the Communist cadres of the big industrial centres. Echoing an opinion fairly widespread among the workers, these cadres reproached the Government with wishing to make the industrial workers foot the bill for the 'peasant experiment'. Citing the recent increase in prices of certain farm products, they demanded energetic Government intervention to control prices.

It seems that at the Central Committee session the spokesmen of 'proletarian' discontent made common cause with the 'technocrats' whose opposition crystallized around the former 'dictator of Hungarian economy', Ernő Gerő. Relying on the support of a number of economic experts, Ministers, and leading heavy industrialists, Gerő had warned the Government in May (on the occasion of the Party Congress) against the serious consequences that might ensue from a continuation of the existing policy of détente. As the situation since then had not improved, Gerő and his supporters seem at the last session to have advocated a complete reversal of policy. Their proposals apparently included a new monetary reform which would wipe out the increased purchasing power of the peasants, to be followed up by a series of draconian measures calculated to reduce the growing Budget deficit; the immediate application, despite all protests, of the rationalization measures in administration and industry decreed some time ago; and a reform of the wage system, which would involve a reduction in workers' incomes, at any rate until a perceptible increase in productivity had been achieved.

To the arguments of these experts—which were reasonable enough from the purely financial point of view—the supporters of the new experiment replied by stressing the need to give priority to the political standpoint rather than to economic considerations. In the present circumstances, they declared, the first priority for the Party was not to balance the Budget but to 'strengthen the alliance between the proletariat and the peasantry'. All economic policy should be subordinated to this end.<sup>1</sup> True, the realization of the 'June programme'<sup>2</sup> is coming up against increasing difficulties. But, according to the supporters of the new policy, these difficulties are due not so much to the over-ambitious nature of the programme as to (1) the mistakes of the preceding

<sup>1</sup> Cf. in particular article by Imre Nagy, *Szabad Nép*, 20 October 1954.

<sup>2</sup> i.e. of June 1953.

Government, the consequences of which are now emerging much more clearly than in June 1953;<sup>1</sup> and (2) the resistance shown in certain leading circles to the realization of the new programme. M. Nagy's supporters have stigmatized the attitude of the 'managers' who 'don't want to make tools and small agricultural machinery instead of heavy machinery', and of heads of concerns who 'behind a new mask have every intention of continuing in their old ways'. Certain leaders of heavy industry seem to be convinced that the new policy is nothing but a tactical expedient which will not last, and they are therefore sabotaging reconversion. Others blame the Government for abandoning the industrialization policy, not grasping that the aim is to bring about industrialization in more balanced conditions. Finally, no less disastrous for the success of the experiment is the attitude of the managers and officials who show an 'excessive liberalism' in carrying out Government decisions and who tolerate fraud and pursue a demagogic wages policy in the factories, while in the countryside they close their eyes to peasants' evasion of their deliveries and taxes.

As between a retrograde spirit and anarchy, between a return to Stalinist practice and a complete laissez-aller, the supporters of the Nagy experiment have tried to pursue a middle course. In the end they succeeded in getting adopted by the Central Committee a resolution affirming the rightness of the 'June programme' and making an improvement in the agricultural situation the Government's first preoccupation. Fresh measures are therefore to be adopted to 'interest the peasants effectively in every form of increase in their production'. As for industry, its 'regrouping' is to be accelerated. Investments in the light industries and in food production are to be increased at the expense of heavy industry. Finally, a whole series of measures are to be taken to increase productivity, to improve quality, especially in the industries working for export, and to reduce production costs.

There is to be no turning back, M. Imre Nagy announced triumphantly in an article in *Szabad Nép* (20 October 1954)—an article in which, while not mentioning them by name, he pilloried the policy pursued during the earlier years by Rákosi, Gerő, and their colleagues. The press greeted the resolution published after the Central Committee's meeting as symbolizing the triumph of the partisans of the 'new course' and of economic expansion over the defenders of the old order. The impression of the Nagy trend's

<sup>1</sup> Cf. speech of I. Kovács, *Szabad Nép*, 14 October 1954.

victory was strengthened by the announcement, on 14 October, of the rehabilitation of certain Communist personalities 'unjustly arrested and condemned' during the years 1950-2. The release of János Kádár, who has just been appointed Party Secretary for a Budapest district, of Gyula Kállai, now put in charge of all the Party publications, and of G. Losonczy was followed by that of Anna Kéthly, a Socialist leader well known in the West.

But once again Nagy had to be content with a limited victory. The two Cabinet reshuffles which have taken place since the October meeting only succeeded in removing some of Gerő's henchmen. As for Gerő himself, with his habitual astuteness he has managed at the eleventh hour to range himself on the side of the majority. The resolution of 3 October now has no more zealous upholder than he; and on 17 October, in a speech at Szolnok,<sup>1</sup> he said: 'Those who show themselves incapable of understanding the Party's new policy should be removed from their posts, however great their loyalty to the Party; and those who wilfully oppose this policy should be swept away. . . .'

Significantly, it is among the 'intellectuals' that M. Nagy's victory has aroused the greatest enthusiasm. This enthusiasm is not entirely disinterested: it is, in fact, easier to carry out the profession of propagandist in the service of a Government that wishes to 'go towards the people' than under the iron rod of an intolerant bureaucracy. But whether or not they were personally concerned, writers and artists seized the opportunity to praise the new policy while at the same time criticising the old. Nevertheless, the Minister of Popular Culture, M. Joseph Darvas, felt it his duty to raise his voice in reproof against the 'spirit of rivalry' which 'is showing itself in certain literary circles where each man tries to go one better than his neighbour in denigrating the action of earlier Governments'.<sup>2</sup>

In protesting against the 'revival of anarchist and petit bourgeois opinions' in the writings of his colleagues, Darvas voiced the fears of many Party and State officials in the face of an 'encouragement of the critical spirit' which threatens their privileges. They therefore doubtless breathed a sigh of relief at the news of the return to Hungary on 21 November of Matyás Rákosi, the Party's first Secretary. Rákosi's prolonged absence—for he had made no public appearance since 22 September—had, in fact, given rise to all

<sup>1</sup> *Szabad Nép*, 18 October 1954.

<sup>2</sup> *Szabad Nép*, 21 November 1954.



kinds of rumours. It was generally believed that his sojourn in the U.S.S.R. would be the prelude to a discreet setting on one side, for 'health reasons', of Stalin's erstwhile lieutenant in Hungary. These rumours have now been dispelled. Rákosi has resumed the Party leadership; and there is reason to think that he will busy himself in restraining rather than encouraging the 'reformist' policy initiated by Imre Nagy. In this connection it is significant that M. Rákosi's first political action after his return was a speech in which he reproached Paul Szabó, the national President of the Popular Front, for having criticized in too violent terms the activities of the Democratic Youth Union (D.I.Sz.). M. Rákosi let it be clearly understood that he intends to defend the supremacy of the Party over this satellite organization, whose control the Nagy group seemed anxious to remove from it to the advantage of the Popular Front.

The outcome of the struggle between the two trends remains uncertain; it depends to a great extent on developments in the sphere of international politics. The Nagy group seems to have a link with the group in the Kremlin which stands for an international détente. Any stiffening in the attitude of the U.S.S.R. towards the West (such as might result from the ratification of the Paris treaties) might therefore favour the designs of the opposing faction.

F. F.

## *Pakistan: The Scene Today*

ON 24 October 1954 the Governor-General of Pakistan, Mr Ghulam Mohammad, dismissed the Cabinet headed by Mr Mohammad Ali, proclaimed a state of emergency, and declared that the country's Constituent Assembly, which had just completed the drafting of a new Constitution for Pakistan, had lost the confidence of the people and could no longer function. These dramatic events came as no real surprise in Pakistan. All through September and October it had been becoming clearer almost day by day that a political crisis of the first magnitude was brewing. Towards the end of September the country had been surprised by the terms of an Amending Bill to the Government of India Act

which forms the basis of Pakistan's present Constitution), which was introduced by a private member and passed on the eve of the Prime Minister's departure for America to discuss the all-important question of American economic aid to Pakistan. The effect of this Bill, which was subsequently passed, was to bind the Governor-General in future by the advice of his Council of Ministers—a provision which did not exist in the Government of India Act although it was adhered to as a convention in day-to-day administration—and to empower the Prime Minister to dismiss Ministers, a power up till then held by the Governor-General.

The Governor-General immediately flew back to the capital from the Frontier Province which he had been visiting, and the Prime Minister left for the U.S.A. the next day. It seems reasonable to assume that the Bill limiting his powers was passed without the Governor-General's previous knowledge and that a crisis had been brewing which possibly made it necessary for the Prime Minister's position to be strengthened before leaving the country. Immediately on the Prime Minister's return to Karachi on 23 October, after a midnight conference between the Governor-General and himself, the Governor-General's announcement was made and a new Government was formed under Mr Mohammad Ali with the Commander-in-Chief, General Ayub, as Defence Minister, Major-General Iskander Mirza as Minister for Home Affairs, and Mr Ispahani, former High Commissioner in London, as Industries and Commerce Minister.

To understand these events it is really necessary to go back seven years, to 1947, when the British Indian Empire came to an end and the Indian sub-continent was partitioned on the principle of religious determination, the only principle which appeared either acceptable or possible. Pakistan then became a country of two parts: West Pakistan, comprising the former Provinces of Sind, the North-West Frontier Province, and the western half of the Punjab, together with Baluchistan and the States of Khairpur and Bahawalpur; and East Pakistan, comprising the predominantly Muslim eastern half of the old Bengal plus the Sylhet district of Assam. These two areas, separated by nearly 1,000 miles of Indian territory, linguistically quite different, and having few cultural or social contacts with each other, were to form the two parts of one country, the new Dominion of Pakistan.

The new Dominion's Constitution was simply a new form of the Government of India Act of 1935 under which British rule in

India had functioned; and although an inaugural session of the Pakistan Constituent Assembly, which was to act both as a Constitution-making body and as a Legislature, was held as early as 1947, actual Constitution-making turned out to be a slow business. In March 1949 an Objectives Resolution was passed laying down the main principles on which the Constitution was to be based, and in the same month a Basic Principles Committee was set up to hammer out details. But problems soon arose, particularly over the representation of the various Provinces in the proposed Federal Legislature and on the question of the State language—whether it should be Urdu, the language of the Western half, or Bengali, the language of the Eastern half. Ultimately, and largely due to Mr Mohammad Ali's energy and initiative, some progress was made and a formula produced which would give equality of representation to the east and west in the Federal Government.

Meanwhile other forces have been at work. Earlier on elections had been held in the Punjab and the N.W.F.P. which resulted in satisfactory working majorities for the Muslim League. This party had represented the Indian Muslims before partition and had inherited power in Pakistan at the time of the withdrawal of the British; its acknowledged leader was Mr Jinnah, Pakistan's first Governor-General. In March 1954, however, the Muslim League suffered a severe and indeed ignominious defeat in the East Bengal (East Pakistan) elections, and a new Party, the United Front, was swept into power with an enthusiasm born of growing disgust with the Muslim League administration of the Province. It was not so much a vote for the United Front as a vote against the Muslim League; but it greatly reduced the League's prestige in the whole of Pakistan. Led by two mature politicians, the aged Mr Fazal-ul-Huq and Mr Suhrawardy, and representing a majority of the population of the whole country, East Bengal at last had become a force to be reckoned with and not a poor relation of the West.

Unfortunately for Pakistan, Mr Fazal-ul-Haq, the new Premier, on a visit to Calcutta and elsewhere made a number of statements which seemed to indicate that his ambition was for East Bengal to become a single independent unit, or perhaps even to merge with India. Almost simultaneously, serious rioting broke out in a number of industrial towns in East Bengal; the new Provincial administration failed to control these riots adequately, and they led to serious loss of life. To the Central Government in Karachi,

predominantly Muslim League, it seemed that law and order was breaking down, and in the end, on the advice of the Cabinet, the Governor-General dismissed the Huq Ministry and the Central Government took over the administration of East Pakistan. Major-General Iskander Mirza, the then permanent Secretary of the Central Government's Defence Ministry, was sent there as Governor under reserve powers accorded to the Governor-General under the Government of India Act. Serious floods then made the plight of the Province even worse, but by the end of the summer law and order had been established and most of the flood damage repaired, and the Province embarked on a period of relative peace.

The immediate events leading to Mr Ghulam Mohammad's suspension of the Constitution are even more complicated. There had been growing antagonism between the members of the Constituent Assembly and the Governor-General for some months preceding his decision, and a certain amount of disagreement also existed between the Punjab members and the East Bengal members over the final form of the Constitution, which was on the verge of being passed into law. But what ultimately brought matters to a head was undoubtedly the Constituent Assembly's approval, on 21 September 1954, of a Bill amending the Constitution in such a way as to curtail the powers of the Governor-General. These measures would, in any case, probably have become law in a matter of a few months, since at that time they were in the process of being embodied in the Draft Constitution Bill. To hurry them through three months beforehand seemed to indicate a threat to the Governor-General's position, which in any case would not have been secure under the new Constitution since the President of the new Republic was to be an elected one. It is too early yet to assess the merits and demerits of the Governor-General's action, but certainly Pakistan has been given a Government, undemocratic as it may be, which has the power to do more good for the common man (who probably represents over 90 per cent of the population) than any of its predecessors. That is not to say that Mr Mohammad Ali's Government was not a good one. It had inherited many problems, notably the Constitutional one, from earlier days, and with tremendous effort it had solved many of them. Mr Mohammad Ali himself had been largely responsible for his country's alignment with the West in a defensive Muslim crescent with Turkey at one point and Pakistan at the other. By his efforts and

personality his country had obtained generous American economic aid, the only possible salvation for its immediate balance of payments problems. But this was not enough. Political wrangling and rivalry continued, not only between East and West Pakistan but between the separate Provinces of West Pakistan itself; and mutual distrust between Provincial politicians provided a threat to Pakistan's security which the Governor-General considered had to be met.

Certainly the new Government has been well received by all sections of the community, and hardly a voice has been raised in opposition to it. On 22 November, in a special broadcast to the nation, the Prime Minister announced that it was the unanimous decision of the Government that the Provinces and States of West Pakistan should be abolished and the whole area welded into one political and administrative unit. The Prime Minister argued that in the Government's view the unification of West Pakistan as a complement to the already homogeneous unit of East Pakistan was the only possible solution and once this step had been taken the tasks of framing a new Constitution for the country as a whole would become simple, since East and West would be placed on a footing of equality. The Legislatures of the North-West Frontier Provinces and the Punjab have already passed resolutions approving this move, and it is expected that Sind will fall into line shortly. The Punjab has also magnanimously agreed that for a period of ten years it will accept only 40 per cent representation in the West Pakistan Legislature although it is entitled, on the basis of population, to a representation of 56 per cent. The States of Bahawalpur and Khairpur and the Baluchistan States' Union have also endorsed the Government's decision. There seems little doubt that Sind will also do so, particularly seeing that the Government's abolition of Provincial and State boundaries is supported by Mr Khuhro, the new Chief Minister. The administrative problems in changing over to a single unit for West Pakistan are immense, but already committees have been formed to draw up plans for implementing the Government's decision. This new administrative set-up may, incidentally, result in a move of the present capital, Karachi, to a more central place in West Pakistan.

#### ECONOMIC ASPECTS

Pakistan has also had its economic ups and downs. For the most part these have been the result of the stresses and strains which have

confronted all South and South-East Asian countries since the end of World War II, and particularly those countries which have been trying to expand their economies by changing over from a basically agricultural economy to a partly industrialized one. At the time of partition Pakistan, by the accident of geography, inherited only a small part of British India's industrial wealth. Although she grew the major portion of the world's jute, in 1947 the new Pakistan did not possess a single jute mill. Although good quality cotton is produced in the rich alluvial plains of the Punjab and Sind, only a few spinning and weaving mills existed. This position contrasts strongly with the extensive jute fabricating industry in the hinterland of Calcutta and the powerful cotton textile industries of Bombay and Ahmedabad. Moreover India inherited an efficient iron and steel industry, coal mines, and many other resources.

It will thus be seen that Pakistan had to start practically from scratch in the industrial field. An industrial policy was soon evolved which had the primary aim of converting the agricultural economy to a semi-industrial one. It was decided to concentrate mainly on those industries which could utilize the main produce of the country, and consequently cotton and jute mills figured prominently in Pakistan's development programme, which also included other basic industries such as iron and steel, ship building, fertilizers, and cement. The plan for industry, boldly and courageously conceived, also made provision for a basic power scheme for increasing the power potential, the improvement of transport facilities, and plans to increase the agricultural output. Today, seven years after partition, while the plan has still some years to run, it would be difficult to find fault with the original concept.

Like many of her neighbours in South-East Asia, Pakistan is an exporter of raw materials and an importer of capital and consumer goods and industrial raw materials. With the exception of the Korean war period, the prices of these raw materials have steadily fallen, while those of capital and consumer goods have, for the most part, remained steady. As a result, the terms of trade have moved against the more backward countries in favour of the more industrially developed countries of the West. If, while this process is going on, a backward country embarks on a policy of industrialization which requires for its execution the import of capital and other goods from abroad, stresses must be expected to develop in its economy. This is precisely what has happened in Pakistan. In

order to industrialize the country Pakistan has had to tighten her belt somewhere, and a restrictive import policy has had to be enforced to save the country's gold, dollar, and sterling reserves, already halved since the Korean war years, from being further depleted. Today few countries in the world can be more short of consumer goods than Pakistan. Nevertheless, this diversion of foreign expenditure in favour of capital goods and raw materials should, in the long run, pay dividends because the new industries now being set up there will ultimately save the country expenditure on imports. In the course of the next few years the pattern of Pakistan's imports, which in 1947 consisted largely of raw materials and consumer goods, should show a greater emphasis on the import of industrial goods which Pakistan cannot hope to produce herself for many years to come, and a reduction in that of consumer goods which the country is able to manufacture itself. As a result of the industrial policy embarked on in 1947 Pakistan is now self-sufficient in jute goods and is fast approaching self-sufficiency in cloth and many other products such as cement, paint, sugar, certain chemicals, and paper, all of which had to be imported seven years ago.

Pakistan's most important economic development has probably been the discovery two years ago of large reserves of natural gas at Sui in Baluchistan. The country is short of coal, and needs to import both coal and furnace oil; the discovery of this gas therefore promises to be of the greatest importance to its economy, and the laying of pipe lines down the Indus valley to Karachi has already begun. When Pakistan's industries have been able to adapt themselves to using this gas considerable quantities of furnace oil and coal will be saved.

By these and similar projects Pakistan is slowly but surely becoming a semi-industrialized country with the emphasis not so much on exports as on satisfying internal needs. Admittedly, this policy has not been carried through without many aches and pains. New industries sometimes temporarily run out of raw materials, and the overall control of imports constitutes a great administrative burden for the Government. But substantial progress has been made, and goods of Pakistan manufacture are now freely available in the bazaars throughout the length and breadth of the country.

P. T. E.

52-4-1

# THE WORLD TODAY 27 FEB

Volume 11 No. 2 February 1955

\*

## *Notes of the Month*

### *The Strijdom Government in South Africa*

THE present mood of Afrikaner nationalism is unmistakable. Confronted by a choice between a man of moderation and compromise, such as Mr N. C. Havenga, and a man of militancy and inflexibility of mind, such as Mr J. G. Strijdom, the Nationalist Party caucus last November wasted little time in deciding who should succeed Dr D. F. Malan as Prime Minister. Indeed, there was so little support for Mr Havenga that he not only decided to withdraw his candidature but promptly terminated his long and distinguished political career.

Mr Strijdom is the antithesis of General Smuts. He regards compromise as synonymous with weakness; and diplomacy with deceit. Even among his bitterest opponents he enjoys a reputation for political honesty. 'You know where you stand with Hans Strijdom,' they say. Those who imagine that he will trim his sails now that he is Prime Minister show little understanding of South Africa's new leader, who spent fifteen years in the political wilderness (1933-48) rather than compromise his policy of Christian National Republicanism by one iota. For him there has always been only one goal—an independent South African republic based on White supremacy.

With Strijdom as their leader, the Afrikaners have started a new Great Trek to independence, according to Senator H. F. Verwoerd, Minister of Native Affairs. 'The Afrikaner,' he added, 'must be prepared for a difficult trek and sacrifices.'<sup>1</sup> The dangers facing these middle-twentieth century trekkers were described in a recent speech by Mr Strijdom's brother-in-law, Mr J. de Klerk, who is the new Minister of Labour. He gave warning of four dangers ahead. The first is the 'Black danger'—the non-European in Africa is awakening and demanding a say in government. The second is the 'Red danger'—Communism. The third is the 'Yellow danger'—Africa is the springboard for India's millions. The fourth and greatest is the 'White danger'—the division among

<sup>1</sup> *Die Volksblad*, 17 December 1954.



Europeans.<sup>1</sup> This trek through the myriad-coloured field of dangers will decide, according to Mr F. C. Erasmus, Minister of Defence, 'whether the White man, in spite of all his sacrifices and faith and unparalleled stamina, was merely a traveller to nowhere, or whether he could succeed in stabilizing White civilization in southern Africa for all time.'<sup>2</sup>

The Afrikaners' will to survive as a nation has never been in doubt. What is being increasingly questioned today—especially in Nationalist circles—is the *volk's* capacity to withstand the continental and world forces that appear to threaten the conditions which Afrikaners have traditionally accepted as being indispensable to their survival. For example, White supremacy.

There has in recent years been a striking change in the political thinking of Afrikaner intellectuals. When Dr Malan came to power seven years ago Afrikaner leadership undividedly believed that the defeat of 'Smuts liberalism' and the application of 'apartheid' would save the *volk* from certain defeat. But at the beginning of the Strijdom regime one notices a marked sense of anxiety where once there was only unquestioning faith.

Dr G. D. Scholtz, who recently wrote a book<sup>3</sup> in Afrikaans bearing the striking title *Has the Afrikaner Volk a Future?*, is the foreign editor of *Die Transvaler*, a Nationalist newspaper run by a board of directors of which Mr Strijdom is chairman. His book is of tremendous significance, not because he says anything new but because this is believed to be the first time that a prominent Nationalist writer has presented to the Afrikaners such a starkly realistic analysis of the choice before them. They are asked to examine whether White supremacy—the touchstone of South African politics—is tenable. Dr Scholtz warns his readers that the future of the Afrikaners is built on an extremely dangerous and false presentation of facts when it is suggested that 'the non-White of South Africa will always remain an uncivilized being and that he will never be able to rise to the level of the White man. . .'

And elsewhere he adds this pungent comment: 'The first foundations of civilization were not laid by members of the White race. The first people who began to lead a civilized way of life were people who, if they could rise from their graves today, would not be received by the Afrikaner in his home because of their skin-

<sup>1</sup> *Die Transvaler*, 20 December 1954.

<sup>2</sup> *Die Volksblad*, 17 December 1954.

<sup>3</sup> *Het die Afrikaanse Volk 'n Toekoms?*, by G. D. Scholtz. (Published by Die Voortrekker Pers, Johannesburg, 1954).

colour.' In Nationalist circles such a view is revolutionary. Dr Scholtz says a great deal more in similar vein.

'Africa,' he says, 'will always remain the continent of the non-White, and all Whites living there will have to reckon with this immutable fact.' Moreover, as he points out, all the powerful influences in the continent today—and in most countries of the world—run counter to the traditional Afrikaner principle that there must be no racial equality. No minority group, he adds, has ever succeeded in maintaining its privileged position against a majority by legislation. An economic structure such as the Union's, built on the labour of the Black man, presents the latter with an instrument with which he will one day be able to undermine the position of the privileged class.

In his final analysis Dr Scholtz comes out strongly in favour of total territorial separation, which amounts to a partitioning of South Africa—a policy frequently propounded in the past by the South African Bureau of Racial Affairs, a body of Nationalist-minded intellectuals. Total *apartheid*, however, is not the policy of Mr Strijdom's Government. It is the ideal—to be fulfilled over a very long period of years. But this is where Dr Scholtz crosses swords. In his view time is all-important.

Mr Strijdom must face the fact that after seven years of *apartheid* very little has been achieved in effecting real separation between the races. Residential and social segregation has been, and is being, tightened up. But because of South Africa's booming economy there are today more Africans in the towns than seven years ago. There are more Africans in industry doing more jobs traditionally regarded as 'White jobs.' There are more Africans doing semi-skilled jobs. And so on. Even though the Government is strongly opposed to the economic integration of the races, the sheer force of economic circumstances is bringing about conditions which make total *apartheid* more difficult to apply.

It seems therefore that Mr Strijdom's greatest task is likely to be that of reconciling the two schools of thought which threaten to divide his supporters. On the one hand there are the idealists who insist that nothing less than total *apartheid* will do, and on the other hand there are the realists who reject any such suggestion as impracticable. This division of opinion in the Nationalist ranks is likely to have a much greater effect on the future policy of Mr Strijdom's strongly-entrenched Government than any influence that can be brought to bear by the Opposition parties.

The real issue in South African politics today then is not whether to modify or abandon *apartheid*, but whether to push it much further than the Malan Government was ready to go.

*M. Mendès-France in Rome and Baden-Baden*

M. Mendès-France's talks in Rome and Baden-Baden were in the nature of a preliminary excursion before the opening on 17 January of the Paris conference on the proposed armaments pool, and also before M. Mendès-France handed over the conduct of the French Foreign Ministry to M. Faure. The armaments pool was in both cases one of the main subjects of discussion, and on this there was agreement with reservations. Italy, in particular, herself not a producer of arms on a large scale, had felt anxiety lest the proposed pool might work out to the advantage only of the major armaments producers, France and Germany, or that she herself might be involved in costly re-equipment of her factories. These fears have been to some extent allayed.

The conversations in Rome also covered a wide economic field, and here there was a general feeling that more practical results had been achieved than in the past at similar Franco-Italian meetings in Turin in 1948 (when the Customs Union was launched but subsequently foundered) and at Santa Margherita in 1951. Italy's export trade to France has since 1952 been handicapped by French import restrictions, and she warmly welcomed the French decision to raise liberalization of imports from 63 to 75 per cent (there is already 98 per cent liberalization in Italy). Fresh ground was broken in the proposals for Franco-Italian financial and technical collaboration both in French North Africa and in Southern Italy. As to Africa, this is an extension, welcomed by Italy, of M. Mendès-France's earlier suggestion for Franco-German collaboration there; and though Italy lacks the capital for extensive foreign investment, it holds out good prospects for her exports of machinery. On the other hand Italian plans for the development of Southern Italy now tend towards greater industrialization of that region and offer possibilities for French investment; and here it is of interest that Italy is shortly to abolish all remaining restrictions on the transfer abroad of profits from foreign investments.

The Baden-Baden meeting appears to have achieved genuine discussion of all subjects, including the arms pool, and a limited agreement on certain aspects of the Saar question, without any attempt to make the former conditional on the latter.

## **Change of Leadership in Egypt**

itary regime in Egypt is now for the first time looking to e with confidence. It has secured an agreement with or the evacuation of troops from the Canal Zone, has United States economic aid, and has silenced the oppo- all its problems, in the narrow sense of the word, only n remains to plague it. In the broader sense, it faces the problem of reconstruction and development. The young f the Revolutionary Council have, with one exception, ilder to shoulder against their enemies and must now stay i the less stimulating work of day-to-day government ich there seems little left to distract the attention of ublic opinion.

ear 1954 closed with the Revolutionary Command apparenly stronger than it had ever been since the *coup* 1952. Under Lieut.-Colonel Gamal Abdel Nasser, it d the destruction of all organized opposition which, in al fashion, it had pursued ever since it came to power. year had seen the military regime near to the point of On 25 March it had announced a series of decisions which, nts and purposes, amounted to the abdication of its own hese decisions provided for the transfer of sovereignty stituent assembly on 24 July, the re-formation of the parties, free and direct elections, full political rights for all and the election of a President. The censorship of the l been cancelled on 5 March and the uncensored press ucting an outspoken campaign against the regime. The , General Mohamed Nagib, was publicly leading the for the restoration of democracy and was in touch with he old political leaders, notably Mustapha el Nahas, the the Wafd Party. As though to confirm to the world its at, the R.C.C. announced that it would not itself form a party.

March Colonel Nasser and his colleagues reversed this cancelling their decisions of 5 and 25 March. All that re- f plans to re-establish democracy in Egypt was a state- t an advisory National Council of nominated members established; and even this plan remains to this day no n one of the many ideas which the R.C.C. has in mind. as to prove, this decision was to mean the end of General

Nagib as a political force in the country, and the confirmation of Colonel Nasser's ascendancy. The changes demonstrated as clearly as the original *coup d'état* that the only power remaining in the country was that of the Army.

The growing unpopularity of the military regime, itself the result as much of its attack upon the roots of various influential sections of the community as of its mistakes, was acknowledged by the military leaders themselves; but it had not produced any serious, organized opposition. It was the dismissal in February of General Nagib from the Presidency and his restoration three days later<sup>1</sup> which encouraged the public expression of opposition. Trouble in the cavalry barracks fostered by Khaled Mohieddine, a member of the R.C.C., had seemed to suggest that the Free Officers' Movement, upon which the regime depends for its strength, was split between Nasser and Nagib. As a result, the whole of the opposition forces began to coalesce around Nagib, who had come out as the advocate of parliamentary government and therefore, *ipso facto*, in opposition to Nasser. Nasser himself had been worried by the defection of Khaled Mohieddine and some elements in the cavalry, because he could not be sure at the outset how deeply the disaffection had taken root in the Officers' Movement. In the first three weeks of March, therefore, he fought, as it were in retreat while he investigated the state of the Army. He knew that the Army was still behind him before the decisions of 25 March were taken, and there is strong evidence to show that at the meeting of the R.C.C. on that day he deliberately went beyond the demands of General Nagib, throwing wide the door for the restoration of the old parties and the old press, in order to demonstrate clearly to the Army, and to the organized groups he had drawn around the regime, that what was intended by the policy of Nagib and those who were supporting him was no less than the utter destruction of the Revolution. At the same time he had his emissaries working in the trade unions and the police. The Free Officers confronted General Nagib on his return from Alexandria on 27 March with resolutions which clearly demonstrated that Nasser and not Nagib controlled the Army. Next day the police followed suit and the trade union movement organized strikes. General Nagib had naively assumed that the power of the streets which was so effective in swaying the influence of old politicians still counted in the country. There was no strength but

<sup>1</sup> See 'Egypt since the Coup d'Etat of 1952', in *The World Today*, April 1954.

in the Army, and the Army was with Nasser. And he, to boot, was stronger by the knowledge of enemies who had been beguiled into the open by false hopes.

The use which the R.C.C. made of the workers' syndicates in the crisis gave rise to the belief that their power would be increased, a serious prospect for commerce and industry in view of the partisan manner in which the labour laws were already being used in favour of the workers. But there were contrary factors in the situation. For one thing, the regime was not anxious to antagonize foreign capital and, secondly, the syndicate leadership was held to a large extent by members of the Moslem Brotherhood, whom the regime in time began to attack. After the crisis the labour laws were interpreted in a somewhat more rational manner, although the laws themselves remain a difficulty. The regime did, however, put £14,500,000 into public works schemes, to be handled by the energetic Wing Commander Abdel Latif el-Boghdady through the Ministry of Municipal and Rural Affairs. This money is being spent on road works and the like, which give the maximum amount of work and show obvious results.

On 18 April Colonel Nasser took over the position of Prime Minister from General Nagib, who, however, lingered as Head of State until 14 November. It was, for him, a humiliating position which he can only have accepted in the belief that a turn of fortune's wheel might restore him to effective leadership. He had reason to think this possible because of the popularity he enjoyed at home and abroad, and from the contacts which opponents of the regime constantly sought with him. His decline was one of the most surprising factors in the situation, and arose in part from his tenuous relationship with the leaders of the Free Officers' Movement, in part from the ambition which popularity generated in him, and in part from the physical deterioration caused by the abnormal activity he exerted in the first year of the revolution. He is a good-natured man, possessing the 'common touch' to a high degree. In the early days he showed much sound sense and no little intelligence. He wanted to improve the country and was a willing, if not uncritical, party to the radical schemes which the younger groups of the R.C.C. were advocating. But at heart he was a conservative who, as he was more and more antagonized by the exercise of dictatorship forced upon the regime by the evolution of events, became increasingly convinced that he alone knew what the country wanted, that he alone stood for the revolution which the

people sought, that he was responsible to the people and to no one but the people.

It is difficult to know whether General Nagib was a party to the plots of the Moslem Brotherhood in the late summer and autumn of last year. One would assume from knowledge of the man that he would not have anything to do with plans of assassination. It was not in his character. There seems to be clear evidence, however, that he was aware that the Moslem Brotherhood was working to overthrow the R.C.C., and that, as in the case of the stupid military plot against the regime in March, he did not report to Nasser, with whom he was, at least nominally, in allegiance. The personal antagonisms which had developed between Nagib and some members of the Council had evidently reached the stage at which he was prepared to see the end of the regime at any cost. In these circumstances, there can be no question that he had become a source of instability.

It had become inevitable as the year progressed that Nagib would be dismissed. It was equally inevitable that the Moslem Brotherhood would have to be destroyed as an organization if the regime were to enjoy stability. Nasser had at one time tried working with the Moslem Brotherhood and at another had tried to split it. In neither case was he successful. Once the Anglo-Egyptian Agreement had been signed counter-action was only a question of time, and the opportunity came on 26 October when a member of the Brotherhood attempted to assassinate Colonel Nasser when he rose to address a mass meeting in Alexandria. That night four hundred members were arrested and the movement was dissolved. The members of the Supreme Guidance Council were also arrested and almost all the members of the cells of the secret organization were rounded up.

This challenge to the Brotherhood had long been considered the real test for the regime, but it was demonstrated once again that the movement crumbled before any Government which attacked with determination. Although there is no question that it had substantial popular backing, its mass support seems to consist largely of simple people who regard it, in the light of its name, as a religious movement. Its effective strength lay in an oligarchic leadership, reinforced by the terrorism of the secret organization. Not all the members of the Supreme Guidance Council were informed of the plans of the terrorist wing, and it may well be that some of them were even afraid of it. From time to time it had been

nsible for the murder of Brotherhood members. Nevertheless clear that the leaders of the secret organization, although in cases uneducated people, had close associations with the ited leaders of the movement and that the Guidance Council y accepted as an instrument the widespread fear inspired by rrorists. They cannot have been less aware than the general c that Nasser went in danger of assassination by Brotherhood s and they were either without the will or unable to compel secret organization to hand over to the Government the sub-al stocks of arms and explosives which it possessed. On the nce, it is difficult to escape the conclusion that, whether or ey were party to plans for the assassination of the members R.C.C., they were at least prepared to risk bloodshed in the e of power.

lonel Nasser had long before told the members of the Guid-Council that they would be held corporately responsible for outrages committed by members of the R.C.C. He had also to the conclusion, it seems reluctantly, that some of the erhood's aims were incompatible with those of the regime. had been demonstrated to him finally by the attacks which rotherhood made against the Anglo-Egyptian settlement in pamphlets which deliberately misrepresented many of the o which Nasser had agreed. When, in late October and mber, the Government struck against the Brotherhood he oyed its central organization. Its Secretary-General, Abdel r Auda, was hanged with some of the terrorists, and its me Guide, Sheikh Hassan el-Hodeiby, was sent in irons to a Prison to break stones for the rest of his life. If Ibrahim l Hadi interned more Moslem Brothers than did this regime, tter was much more ruthless in inflicting deterring punish-3.

one can be sure that every fanatic of such a movement has seized or that none will be willing to sacrifice his own life to hat of Colonel Nasser or the Deputy Premier, Wing Com-er Gamal Salem, who presided over the first 'People's' which imposed the life sentence on Hodeiby and the death ices on Auda and the leading members of the terrorist wing. loes Colonel Nasser believe that the amorphous lump of the erhood movement has ceased to exist. He claims, however, ve left it headless and leaderless and therefore incapable of ting any resistance to the regime for a long time to come.



Nevertheless, the simmering ideas which were behind the crisis of February 1954 (but not its cause) are still not clarified. The ideas for broadening the base of the whole Government were exploited by General Nagib and the opposition at that time to further plans for the restoration of parliamentary government. In the event, the crisis set the course for the tightening of dictatorship; but the desire for some supporting structure to the oligarchy remains. At the present time the Council of the Revolution is debating in private the manner by which it might create pseudo-representative bodies which could evolve in time, and beneath the authority of the Army, into an 'Egyptian democracy'. They have not abandoned the hope that they can transform the military regime into a form of constitutional government.

Almost inevitably, the Anglo-Egyptian question was in abeyance during the period of the crisis, but the situation deteriorated as a result of some serious incidents in the Canal Zone. The free press during March 1954 had exploited, as usual, the situation concerning the Suez Canal base as propaganda against the Government, which seemed unwilling for some time to take effective measures against the deterioration of security in the Zone.<sup>1</sup> But in June a sharp decline of Canal Zone incidents foreshadowed a new attempt to reach agreement with Britain. On 10 July Sir Ralph Stephenson and Major-General Benson met Colonel Nasser to resume discussions which, with Mr Anthony Head, British Minister for War, participating in the final stages, culminated in the initialling of the Heads of Agreement on 27 July. This provided for an agreement of seven years with consultations between the two Governments during the last twelve months of the period. Britain undertook to withdraw all her troops from Egypt within twenty months of the completion of the definitive agreement, and to maintain certain key installations with civilian technicians. Egypt agreed to give Britain right of re-entry in the event of an attack on any State member of the Arab League Joint Defence Treaty or on Turkey. The conversion of the broad principles into a final Agreement was an extremely complicated and detailed task which took nearly three months to complete. The Anglo-Egyptian Agreement giving effect to the Heads of Agreements was signed in Cairo on 19 October, ratifications being exchanged on 6 December.

This was the outstanding development of the year, for it brought

<sup>1</sup> See 'Britain, Egypt, and the Canal Zone since July 1952', in *The World Today*, May 1954.

to an end decades of dispute between Britain and Egypt. It was made possible largely by two concessions. In the first place, Egypt agreed that the right of re-entry would be granted in the case of an attack upon Turkey. Secondly, Britain agreed to the total withdrawal of troops and the maintenance of the key installations by a consortium of British contracting firms, who would not send more than eight hundred technicians from Britain to the Base. Sir William Keightley, Commander-in-Chief, Middle East, described the Heads of Agreement as 'an act of faith'; and so they were. Britain replaced her physical strength in Egypt by an agreement which depends upon the goodwill and good faith of the Egyptian Government. In so far as can be judged in the few months which have elapsed since it was signed, Egypt is intent to honour her obligations and, in general, the whole atmosphere for the British in Egypt has changed for the better.

The Agreement has, furthermore, had an obvious effect upon the foreign policy of the Arab League States. The dispute between Britain and Egypt obstructed the evolution of Arab relations with the West even more than did the question of Palestine. Since it ended there has been a steady accretion of overt support for the West. Egypt, sensitive as ever about nationalist opinion, has cautiously encouraged this turn of policy, in the first place by working with Turkey to eliminate friction between their two Governments. Egypt and Iraq are both agreed that the future of the Arab States must be developed in co-operation with the Western Powers. Nuri es-Said told the Egyptian press this on 17 September after his meetings with Colonel Nasser. Since then the Arab Foreign Ministers, meeting in Cairo during the December session of the Arab League, have (with the exception of Syria, where the Government is too weak to make up its mind) confirmed this policy and agreed that Iraq should seek to end its treaty with Britain on terms similar to those obtained by Egypt and providing for the entry of British troops in the event of an attack upon Persia. Both Iraq and Egypt hope that a meeting of the Arab Prime Ministers early in February will finally establish this line of Arab policy, for which the Anglo-Egyptian Agreement paved the way.

The American offer of economic aid, which had been delayed pending the agreement with Britain, was negotiated immediately after its completion and culminated in an agreement by which Egypt will receive \$40 million for development projects on con-

dition that she spends an equivalent amount. This aid is to be used for improving Egypt's communications system.

Although the departure of Abdel Gelil el-Emary from the Ministry of Finance after the crisis of March 1954 was caused in the main by political events, there had been in the R.C.C. some criticism of his policy, which was considered too restrictive. His successors did take advantage of the control he had established to allow some easing in the economic situation but, on the whole, the Emary policy has been sustained with only minor adjustments. By September the country had £49 million sterling in foreign currencies in workable accounts. The release of £10 million from Egypt's blocked sterling balances was made by the British Treasury, in conformity with the Anglo-Egyptian sterling releases agreement, in July, on the eve of the resumed negotiations, and it was agreed that the £10 million which Egypt was entitled to draw annually would in future be released on 1 January. Egypt therefore got £15 million this year, for the emergency £5 million granted when the Egyptian No. 2 sterling account falls below £43 million was also due. Now that restrictions on sterling imports have been reduced Britain has begun to recover her position in the Egyptian retail market, but it will obviously take time to combat the strong competition which was built up against sterling goods during the period of the restrictions. Egypt was able to close 1954 without any deficit on her balance of payments. Her imports were £25 million less than in 1952.

Her domestic economy still remains cautious and worried, although the stock market has shown some confidence since the Government's successful action against the Moslem Brotherhood. The attempt on Nasser's life in October and the threatening storm over the Brotherhood had interrupted the signs of improvement which occurred when the Anglo-Egyptian Agreement was signed. The Government is itself clearly conscious that long-term improvement depends on major developments, and efforts are being made to get work on the High Dam started at Aswan. The many technical studies seem to have hardened around the original plan of the German engineers, but the International Bank, whose aid is sought, is to send out experts to re-examine the scheme. British firms have so far taken no part in the elaboration of these plans, but there are signs of British interest now.

There are two main difficulties in the way of the scheme. The Sudan opposes it, although there is some sound and neutral

technical opinion which believes that the Sudan's water control projects for the Nile will not be adversely affected by the High Dam. The second obstacle is, of course, the need for money. The scheme will cost at least £180 million sterling, of which about £82 million will be required in foreign currencies. There are, as yet, no convincing signs that this money will be available. The Government raised three loans totalling £25 million in January, but much of this came through the banks, which were allowed to advance up to 80 per cent of the funds offered by any subscriber.

There is also a concentration of effort on mineral exploration. In addition to the agreements with American companies for the Western Desert, a German Company has been granted a thirty-year exploration concession. The National Petroleum Company, a locally registered company in which among other foreign participants the Hoffman Bank, Zurich, holds a substantial interest and which is operating concessions granted to the Egyptian Co-operatives in return for an over-riding royalty, is now drilling in Sinai, and on 10 January it was announced that a test well being drilled south of Wadi Feiran indicated a possible production of about 300 tons a day. But, strangely enough, the Anglo-Egyptian Oilfields Limited (in which both Shell and British Petroleum have interests) and Socony Vacuum of Egypt, who are most likely to produce oil rapidly, are still unable to explore because the Egyptian Government has delayed granting exploration licences for sixty-one areas in the Eastern Desert and Sinai, in the selection of which these companies have already spent about £4 million on preliminary work. The terms of these licences had been agreed last spring, and a law authorizing the Minister of Commerce and Industry to conclude the contracts was promulgated on 3 April 1954. Egypt has thus delayed the benefits she would have quickly obtained from the agreement in principle reached with the companies in February 1954 and which culminated in a settlement of the price stabilization fund dispute in June. It is difficult to escape the conclusion that in the Department of Mines the immediate interests of Egypt are being sacrificed for a nationalist prejudice against the two companies, which were for long alone in the production field.

The most striking set-back for Egyptian policy has been in the Sudan, where the apparent ascendancy of Egypt at the beginning of 1954 has been countered by the strengthening nationalism of the Sudanese. On 21 April the Sudanese Parliament removed the independent and outstanding Ibrahim Ahmed from the Governor-

General's Commission and replaced him by a Southerner, Siricio Iro, who supports the N.U.P. Now even the Prime Minister, Ismail el-Azhary, and his pro-Egyptian henchmen in the Cabinet are soft-peddalling the policy of unity with Egypt and have broken with three leading Ministers, notably Mirghany Hamza, who are influential in the Khatmia sect from which the N.U.P. derives its main support. The formation of a new party by Hamza holds out the possibility of co-operation between the opposition Umma Party and the strong pro-independence sections of the Khatmia. Azhary's position in Parliament must inevitably be weaker, but he is working hard to consolidate his support within it.

In Cairo it is now realized that the trend in the Sudan is against unity with Egypt in any form, and there is reason to think the latter's policy has been modified to provide for a relationship which falls far short of unity. It is believed that Colonel Nasser is himself greatly concerned by the situation and, freed from the pressing problems of recent months, will take a more direct part in the conduct of Egyptian policy.

Most observers are agreed that one of the notable developments of the year has been the increasing stature and maturity of Colonel Nasser himself as a statesman. He stands now on the threshold of that period which will determine whether he is to establish himself as one of the accepted national leaders, in line with such men as Salazar and Perón. In the main, his career as leader has so far consisted in the extent to which he has succeeded in the struggle to establish himself against the opposition of vested interests and of a people who do not take kindly to authoritarian rule. In so doing he has laid the foundations for the period of construction, notably by his settlement of the Anglo-Egyptian problem and by setting Egyptian policy, and hence Arab policy in general, on a positive instead of a negative course. The task before him is immense; for he rules too many people on too little land in a country where capital appropriation is insufficient for development. It may fairly be said that in 1954 he gave himself his chance of success.

T. R. L.

## America's 'Entangling Alliance' with Formosa

*While this article was in the press the Formosa situation moved into a fresh phase with the intensification of operations by the Chinese Communist forces, and with statements by Mr Dulles and President Eisenhower suggesting a development in American policy in Formosa, including the possibility of U.N. mediation.—ED.*

RESIDENT GEORGE WASHINGTON'S warning against 'entangling alliances' was presumably meant to apply first and foremost to international ties which would commit the United States to untenable positions and perhaps result in the country's being manoeuvred into great sacrifices for purposes not its own. The Republican Administration on 2 December 1954 showed signs of having neglected that sterling advice. On that date the Secretary of State, Mr Dulles, signed an agreement with the rump Chinese National Government by virtue of which Formosa and the United States solemnly promise to protect each other, with the proviso, as subsequently made known,<sup>1</sup> of restrictions on the Nationalists' right to attack the mainland. At the time of writing, this 'mutual defence' treaty has still to be approved by the U.S. Senate. It was born in a political climate favourable to passage, and it is doubtful whether questions later raised by the Democratic National Committee have killed its prospects. The current fighting off China's shores, in any event, emphasises the urgent need for analysis of the political liaison of which the treaty, ratified or not, is the formal expression.

It is glaringly obvious that this is an unnatural alliance of opposites. But politics make strange bed-fellows, and the treaty might occasion nothing more than lifted eyebrows and a wry remark or two, were it not for its inner significance: it embodies the existing hostility between the Taipei and Peking regimes and thus helps to perpetuate that particular threat to the peace of Asia, and binds the United States fast to that danger.

In the decade beginning in 1945, the United States tried to check the rising tide of Asian revolution primarily by military means, whether by 'containment' or 'liberation'. In furtherance of this policy it initiated the ANZUS pact; mutual defence

<sup>1</sup> See *The Times*, 14 January 1955.

arrangements with the Philippines, Japan, and the Seoul Government; SEATO; and now the alliance with Formosa.

Mankind unfortunately cannot yet dispense with the arm. The United Nations operation in Korea is an outstanding example of the use of that instrument in the cause of international justice. But it is quite clear that exclusive or preponderant reliance upon armed force often fails of its purpose. The United States afforded extensive material support to the Chinese Nationalists the decade preceding their defeat on the mainland, and liberally in money and material to the French in the Indo-China war. The huge sums spent in these two areas failed to buy the desired results, and in the end the American position in Asia was probably worse than if American strategy and prestige had not been staked on the political and military worth of the Chiang Kai-shek and Bao Dai regimes.

Present Chinese Nationalist programmes nevertheless admit of past shortcomings and no future impossibilities. In April 1950 the Nationalists evacuated Hainan Island after having already evacuated the entire mainland. Generalissimo Chiang announced his intention of a comeback. Those plans have been reiterated at intervals since. In his New Year's message of 1 January 1953 he declared that 1953 would be the final year of preparation for a counter-offensive. On 10 October 1954 he said that preparations for the war for mainland liberation were almost complete and the battle should begin within the foreseeable future. In his New Year's message of 1 January 1955 Chiang stated that the battle for Quemoy and the Tachen Islands were the curtain-raiser for the battle of the Formosa Strait, and that all-out fighting was expected at any time. He suggested that the danger of an international Armageddon was increasing; and 'the future (Chinese) State will then obtain the benefit of double result with half the work'.

That is the theory, but the facts are stubborn. That the Communists have imposed a hard control on China by a combination of political and police measures is something that none but the wilfully blind would deny. Formosa has 8 million people; China claims 600 million. Formosa possesses an army of 300,000 effectives; the Communists have ten times that number. The agricultural and industrial strength of the two is correspondingly in favour of China. And any Nationalist attempt to retake the mainland would have to be carried across the broad Formosa Strait.

The military and political conditions which prevailed while China was engaged in the Korean war presumably offered the Nationalist Government a maximum opportunity for its heralded attack. The U.S.A. Fox Mission of 1950 is said to have estimated that the Nationalists could be efficiently re-equipped (for defence) for 400 or 500 million dollars. By the spring of 1953 probably twice that amount had already been spent for that purpose. But when President Eisenhower 'unleashed' the Nationalists on 2 February 1953 they remained immobile.

The reason is not far to seek. The bright picture of Chiang Kai-shek's prowess painted by his foreign admirers has no counterpart in China itself. In his own native land, and in much of Asia besides, he is a discredited autocrat. Money, economic aid, jet planes and warships and other sinews of war are flowing into Formosa in spate. Chiang may soothingly say, as he did to a *New York Times* correspondent on 20 July 1953, that within six months after the receipt of the requisite equipment his troops could land on the mainland, and that it would be unnecessary to have American troops or air or naval cover for such an operation; but it is as sure as anything could be in politics that he will never return to China unless astride the back of the United States. It has been his purpose to get into that position, and now he seems on the verge of attaining his goal—with some strings attached. And there he would rest, waiting for World War III.

It is by now clear, especially in the light of past debacles in China and Indo-China, that the proposition that Asian wars should be fought by Asians produces results other than those anticipated, while the concept of 'Asia for the Asiatics' is gaining strength. Oriental rulers maintained by Occidental force tend automatically to lose the sanction of their own people's approval. This lesson applies in the case of Formosa. A variation of any proposal to settle Asian problems by military means must therefore be considered: will the United States itself go to war in Asia? Chiang Kai-shek can be expected to use every device to spur his giant friend into action. Syngman Rhee proposed just such a war in his speech to Congress of 28 July 1954.

This idea is not to be brushed aside as a fantasy. The United States has its advocates of preventive war. Mr Dulles's 'massive retaliation' doctrine of 1954 hinged on the reported decision to strike 'by means and at places of our choosing' in countering aggression. Admiral Robert B. Carney, Chief of Naval Operations,



in a speech of 27 May referred to America's 'approaching the fork in the road', and made it crystal-clear that the alternatives he saw were a peace ending in 'oblivion' and the hard but possibly in the long run safer road of war. *Newsweek* magazine on 9 August noted that some American strategists had long harboured the idea of a preventive war against the Soviet Union, and declared that 'there are still others who believe that the U.S. should face a showdown now, if not with Russia, then with Communist China'.

The former Ambassador Mr William C. Bullitt, writing in *Look* magazine (24 August 1954) gave a categorical exposition of the motives actuating this group. He held the United States to be in 'mortal peril' from growing Communist strength, and considered it imperative either to destroy Soviet production centres before the Communist attack came, or else to swing the balance of power so strongly against the U.S.S.R. that it would not dare to use its weapons of annihilation. China, he said, was the key to all Asia, and its liberation could produce the desired result. Bullitt's proposal was concrete: the U.S. Government should organize an attack on China, using the U.S. Navy and Air Force but no American troops except those in Korea, 'while assigning the great burden of the ground fighting to the (South) Koreans and the free Chinese. . .'

This thesis does not acknowledge the lessons of the Sino-Japanese and Korean Wars, or of the Chinese civil war; it leaves out of account the possible Soviet reactions. On the face of it, its reasoning would appear to lack the force required to propel a great nation towards the abyss. Yet how close the United States came to the edge of the precipice at the time of the battle of Dien Bien Phu is still sharply etched in our memories. Various subsequent press reports (unconfirmed) indicated that the United States came near to a decision in September to bomb at Quemoy and inland in the event of an all-out Communist attack on that island. The latest Communist military actions around the Tachen Islands, off the China coast some 200 miles north of Formosa, renew the possibility of United States involvement.

Will the Nationalist-held offshore islands be the springboard for a new holocaust? Powerful elements in the American scene are committed to the idea of 'a showdown now', and the question of war remains alive. Nevertheless, there are restraining forces. There are those American strategists who, looking at Asia, can see more than Formosa and the southern half of the Korean Peninsula.

Admiral Carney himself emphasized that the harsh alternatives he saw did not concern the United States alone: 'They confront the entire community of freedom-loving nations—both European and Asiatic.' But the Bullitt proposal contemplates that the hypothetical war with China should be fought by the United States, Formosa, and South Korea, without Japan or the Commonwealth—not to mention the United Nations. The plan has conspicuous drawbacks. In such an operation, Chiang and Rhee would turn out to be men of straw. The United States would have broken with both U.N. procedures and the restraints so hastily set up in the SEATO pact. It would be reduced to ravaging Asian targets with A-bombs and napalm. Asian sentiment would inevitably revolt against the United States, and the balance of power would tip further against them. Carney's prerequisite would not be present; Bullitt's objective would be missed. The venture would probably turn out to be General Omar Bradley's famous 'wrong war'.

For the preventive-war proposition is clearly in disaccord with contemporary Asian concepts and political strategy. The Indian Ambassador to the United States, Shri G. L. Mehta, on 3 April 1954 described the general Asian standpoint to the American Academy of Political and Social Sciences: 'Asian countries no longer want to be the instruments for the ends of powerful nations. . . We want to be friends, not satellites. Independent countries must be accepted as such, not as "camp followers" of countries with immense military and economic power. . .' He spoke for many Asians when he said that 'India holds that the real enemies of mankind are economic and social evils such as poverty and hunger, disease, racial discrimination, domination and exploitation of weaker peoples by the powerful nations of the world'.

That India does not occupy that position alone is indicated by the recent decision of the Colombo Powers to hold a general Asia-Africa conference in Indonesia next April. China and Japan are to be invited, but the United States and its protégés, Formosa and South Korea, will not be among those present. The conference's general programme, with its reference to 'problems affecting national sovereignty and of racialism and colonialism', is a warning, for all who would read, that American policy is proceeding at a tangent from Asian opinion.

The Occidental Power with a 'sacred mission' in Asia of its own devising stands today in immediate danger of being identified as a

neo-colonialist, an imperialist—or worse. Asian Communism on the other hand, when it does its Sunday best, tends to resemble the socialism that is so attractive to Asian leaders. Peking, Moscow, now works for a détente. India, Indonesia, and Britain in particular, are obviously prepared to consider sympathetically the 'peaceful coexistence' promised in the Five Principles enunciated by Premiers Jawaharlal Nehru and Chou En-lai on 28 January 1954. By 1956 Indo-China will probably have leaned more definitely than at present toward that point of view.

But the sentiment affects even Japan, the anchor-post of the American defence system in the West Pacific. Japan is at present confronted with harsh political and economic alternatives. Premier Shigeru Yoshida failed, despite his pro-American policy, to bring back from his November visit to Washington anything beyond a 100 million dollar credit for the purchase of American surplus farm products, his political fate was sealed. Recognising the nation's temper and of the inner weakness of a policy of exclusive reliance on the United States led Yoshida's successor Premier Ichiro Hatoyama, to announce shortly after taking office that consideration was being given to a rapprochement with Japan's Communist neighbours—first of all, in the economic field. He noted in passing that closer Japanese-Chinese-Russian relations would tend to reduce existing Japanese unfriendliness toward the United States by removing the 'misconception' that the Yoshida Government had been tied to American policy.

The larger question of whether the pact with Formosa would turn the balance in favour of American high strategy thus remains to have a clear-cut answer: the American move is contrary to the mainstream of Asian trends; it commits the United States for an indefinite time to an inflexible position in an environment in which it impedes the desired collaboration between Asia and the United States. Isolation of the United States is today a danger. Even the most ardent of the Asia-Firsters are reluctant to have the United States 'go it alone' into war and this danger can on occasion act as a natural deterrent to American military action—as the Dien Bien Phu affair showed. But despite this qualification of extreme isolation is still not 'a good thing'.

Particular provisions of the treaty aggravate the situation. The arrangement effectively bars the way to any re-establishment of American contacts with China; it complicates further the process of China's U.N. representation. This was presumably the

minimum objective of the Nationalists. Moreover the treaty determines the legal status of Formosa. This matter originally depended upon the final will of the Pacific allies. President Truman once suggested that it possibly required the attention of the United Nations. But now the United States and the Nationalists would bilaterally attribute to 'the Republic of China' the legal title to Formosa.

'Strategic requirements' have not been cited prominently in justification of the treaty. But shortly after its signature, Washington news channels transmitted the intelligence that what the pact accomplished was the 're-leashing' of the Nationalists: it was, that is to say, a guarantee of peace. Since then it has been made known that the treaty was in fact accompanied by a written undertaking from General Chiang Kai-shek not to attack the Chinese mainland without prior consultation with the United States.

The Nationalists were curbed before, *without* a treaty, by the simple device of refusal to support a Nationalist attack. The new proviso permits exercise of the same control. But the implications of this understanding seem to colour neither the language of the formal document nor authoritative Nationalist thinking. Article I of the treaty refers specifically to 'international' disputes, 'international' peace, security, and justice, and 'international' relations. As recently as 10 December last, the Nationalist delegate Mr T. F. Tsiang, speaking before the U.N. *Ad Hoc* Political Committee, said that 'In the eyes of Chinese domestic law, the Chinese Communists are insurgents. My Government continues to combat insurgency.' Chiang Kai-shek himself, in his New Year's message, spoke as usual of the need to increase efforts 'speedily to annihilate Chu (Teh) and Mao (Tse-tung), and to expel (from China) the Russian robbers'. It is by the letter of the treaty, and by relevant visible manifestations, rather than by the accompanying provisos, that this alliance will be judged in Asia.

And surely none would contend that the new pact has had a restricting or moderating effect on Peking's policy. On 8 December Chou En-lai made an official statement concerning the treaty on behalf of his Government. He said that 'The liberation of Formosa and annihilation of the Chiang Kai-shek traitorous band is entirely within the province of Chinese sovereignty and domestic politics, and no foreign country will be permitted arrogantly to interfere.' He warned that the United States must remove its armed forces from Formosa and the Pescadores, and from the Formosa Strait,

or accept all the grave consequences. On 15 December denounced the American action as a violation of the agreement and voiced 'full support' for Peking's demand for withdrawal of American forces. It would be imprudent to dismiss these statements as empty words. A Chinese 'popular movement' for the liberation of Formosa has been developed in recent months. It would appear that the Peking leaders may be taking a hard line *vis-à-vis* both the Chinese people and Asian countries. They fully expect to be called upon to honour.

It might be an emotional temptation for the Communists to wrest Formosa from American hands by brute force. It is strange to Asia that the United States was, after all, just said, 'a paper tiger'. But it would be patently rash for the Communists to take that course unless they deliberately embroil the United States in Asia, as a gambit in a general war. Such an approach would not fit in with the current pattern of détente now being exploited so fruitfully in Europe and Asia, and an emotional quixotism is not a part of the temperament of Peking and Moscow leaders. An overt attempt on Formosa itself at this juncture appears improbable.

One is thus led to seek for possible alternative tactics of Peking. Apart from strictly military considerations, there are two factors that could logically militate against an immediate and perilous assault across the Strait. In the first place, the Peking camp derives indirectly an immediate benefit from the American move to Formosa. Chou En-lai can and does characterize the move as 'a serious war provocation' and the resulting treaty as 'a treaty of aggression' made in preparation for a new war. Both Chinese and Asians listen attentively. Then Chou emphasizes the primacy of the Nehru-Chou Five Principles as a basis for Sino-Asian relations, and nails down his theme. The treaty can then be said to lend support to the Communist line, with no detriment to American standing in critical areas like Japan—now being wooed by the Communist bloc.

The Communist desire to obtain ultimate control over Formosa would of course remain unsatisfied in those circumstances. A second factor might still cause the postponement of a direct air attack on Formosa. It is worth noting that on 22 December the Communists announced that anyone on Formosa, with the exception of Chiang Kai-shek himself, could in all safety return to his past in favour of the Communist side and return to

land to be reunited with his family. Since that time there has been a regular barrage of radio broadcasts from Peking by various prominent 'democratic personages' calling upon 'old comrades' on Formosa to repent and be saved.

There may be a deep-laid purpose in this seemingly barren enterprise. There are on Formosa several score politicians of the first rank who, once powerful in Chinese politics, have been withering in desuetude since they went into exile. Many of them have at different times in the past opposed Chiang's personal rule. They must have felt their Chinese pride stir when Chinese arms pinned the U.N. forces down to half a peninsula; they might have thought they saw portents for the future when Chou En-lai played a bigger role at Geneva than John Foster Dulles, and when Peking this summer was host, like a Mongol Dynasty court, to delegations from all over Asia. Those men know that Chiang Kai-shek is mortal and that American policy is tied to his personality. Some of them might change sides, if they could.

No one suggests that those elderly politicians could alone overthrow the Chiang authority, backed up as it is by an omnipresent police power. But the Communists express themselves as willing to receive, and reward, anyone (excepting always The Dictator himself). That is to say, younger and ambitious men of various Kuomintang cliques, and even high officials in Chiang's immediate entourage, are, in effect, 'invited'. And lately Peking also announced appropriate awards for any of the Nationalist soldiery who might come over with equipment in their hands—so much per rifle, so much per plane. Premiums have been put on troop discontent and political subversion.

The agreement of 2 December carries an unusual stipulation which allows of piquant speculation in this connection. Article II provides that 'the parties separately and jointly by self-help and mutual aid will maintain and develop their individual and collective capacity to resist armed attack *and Communist subversive activities directed from without* against their territorial integrity and political stability' (italics supplied). A news story published in the *New York Times* of 20 December reported that Washington political students did not believe that the Chinese Communists would try to capture Formosa by armed force, 'but they do expect an attempt to subvert the Nationalist Army on Formosa'. The item noted that the treaty 'does not obligate the United States to go to war to oppose a Communist subversion of that island by infiltra-

tion'. Therefore, it continued, Nationalist Foreign Minister George Yeh, then in the capital, had the 'delicate assignment' of seeking 'to clarify what American policy will be under the new United States-Formosa treaty in the event of a Communist attempt to conquer Formosa by subversion'.

We thus have the *reductio ad absurdum* of the proposition that Chiang Kai-shek has only to set his foot on the mainland for the Chinese nation to rise up in welcome: it appears instead that the United States is now being asked to engage itself to go to war if the Nationalist Army on Formosa itself revolts against Chiang's rule. This is indeed a 'delicate assignment'! To convince sober statesmen that Chiang's army is true and steady, and worthy of all the arms that America can spare, but that the U.S. Army must stand ready to fight (China? Formosa?) if Nationalist troops stage one of those 'righteous uprisings' of which the civil war saw so many, would seem to call for a syllogism subtle almost beyond comprehension. But if past performance is any guide, the Nationalist Cloud-Cuckoo-Land make-believe will continue.

The American purpose in Asia has been distorted to make it appear that the United States is the greatest imperialist of them all, and the chief enemy of peace in the Orient. Part of the perversion has come through deliberate Communist mis-translation of motives, to serve their own ends. In no minor degree, however, the United States has erred by providing the Communists with plausible pretexts for their anti-American propaganda. This has resulted in part from a serious failure of comprehension concerning the fundamental forces at work in contemporary Asia, and partly from the intermingling of partisanship with policy-making. It has to be remembered that, in foreign affairs especially, 'there is no sin but ignorance'.

After the Geneva Conference brought an end to the fighting in Indo-China last summer, and the guns were silent all over Asia, there were indications that the United States was preparing to adjust itself to the long pull of meeting the Communist challenge in the political and economic arenas. If earlier talk of a 'Marshall Plan for Asia' was confuted by the January Budget Message, the concept still lives. As late as 6 January 1955 President Eisenhower called on all 'to strive in every honourable way for an enduring peace', and now both he and Mr Dulles profess to see merit in having the U.N. bring peace to the Formosa Straits. But by the continued focusing of favour on Asians like Syngman

these and Chiang Kai-shek, who clamour for war with China while men like Jawaharlal Nehru and Ichiro Hatoyama strive for peace and economic progress, the United States helps to defeat its own desire to influence the shaping of the Asia of the future, in almost unwitting, if unwitting, service of the Communist tactical objective.

The treaty with Formosa is, in a manner of speaking, the casting of the die in a rejected mould. The Bandung Asia-Africa conference will be a mark of Asia's coming of age; it also seems likely to constitute the expression of an Asian determination to find, if possible, formulae for promoting political independence, economic advancement, and cultural exchange, within a pattern of co-existence. It is no longer the function of Occidentals to decide whether the path chosen by Asia be right or wrong; Ambassador Acheson would have agreed with General MacArthur's statement of April 1951 that Asians now seek understanding and support, 'not imperious direction'. One must hope that human comprehension will be able to transcend the entanglements of the United States-Formosa alliance.

A. B. C.

## *The Ninth Assembly of the United Nations*

THE atmosphere of the ninth session of the General Assembly differed considerably from that of previous sessions. For the first time in the history of the United Nations, no actual war was in progress anywhere in the world. More than this, the session had been preceded by a series of hopeful diplomatic developments in South-East Asia, Europe, and the Middle East, and by some indications that the tension of East-West relations was diminishing. These two factors altered, to some extent, the premises of total and unchangeable Soviet dissent on all serious political issues, and the debates carried on entirely for propaganda purposes with no hope of compromise or agreement, on which previous sessions of the General Assembly have come to be based.

This change still remains one of tone and atmosphere rather than substance, but its effect upon the proceedings of the Assembly was important. Unanimous decisions on several political items



were arrived at for the first time since 1946, and the possible useful negotiation, previously denied to all but the most neutral countries, were opened up to other countries, in the United Kingdom and Canada, with a notable effect. The final results achieved on major political issues. Though the results were in no way conclusive and are still a long way from the kind of achievements that were hoped for by the founders of the United Nations, they are vastly more encouraging than anything that has happened in any previous Assembly and may well be a small beginning of a radical change for the better in its procedure.

The debates themselves were less strident and more constructive than has been the custom in the past few years. Much credit for this welcome change must be given to the Assembly's President, Mr Van Kleffens of the Netherlands, who exercised his office quietly and extremely effectively. A year ago it would have been unlikely that Mr Vyshinsky's death would have been greeted with the dignified and sympathetic pronouncements that were in fact made, and the last few weeks' performance of the acknowledged master of vituperation was surprisingly genial. Even the mutual vilifications of the Arab States and Israel were kept more nearly than usual within the bounds of decorum.

The presence on the agenda of new political items, one of which was of a positive and optimistic nature, also made the session more buoyant than it has had for several years. The necessities of the Assembly are inevitably cumbersome and slow, and the sixty representatives feel compelled to express themselves at great length and with their eyes on the newspapers at home. In these circumstances, the debates on disarmament, and particularly on the peaceful uses of atomic energy, were interesting, constructive, and both produced agreements which gave substance to the hope that the U.N. may at last be looking to the future in the political as well as in the social and economic fields.

The general debate, with which the Assembly customarily opens, produced few surprises and even fewer remarkable ones. The main topics dealt with were disarmament, the possible peaceful uses of atomic energy, and the widening gap between the highly industrialized and the under-developed countries. These questions are related, in that the possibility of funds being made available for large-scale economic development in under-developed countries depends to a great extent on a reduction in governmental expenditure on armaments, and

international plan for the development of atomic energy for constructive purposes is intended simultaneously to help dissipate the atmosphere of suspicion which has vitiated previous discussions of disarmament, and to accelerate the development of backward areas by providing new sources of power and new techniques in agriculture, medicine, and industry. Mr Vyshinsky's sudden acceptance of the Anglo-French disarmament proposals, which the Soviet Union had resolutely turned down throughout the summer, as a basis for further discussions, and Mr Dulles's elaboration of the United States plan for international development of the peaceful uses of atomic energy both struck a hopeful note at the outset of the session, and in both cases this optimism proved in the event not to have been wholly misplaced.

The four weeks' debate on disarmament, an item which has hitherto been among the bleakest features of the General Assembly's agenda, concluded with a unanimous decision which, while it was largely procedural in nature, at least opened the door to further progress. Two important factors clearly influenced the debate. The growing realization of the full monstrosity of atomic war has taken a firm hold on Governments as well as peoples, especially now that both East and West are apparently approaching an equal footing in atomic armaments. This is evidently the most important and universally applicable incentive for reaching some kind of agreement. A second factor, which clearly influenced the timing of the various concessions made by the Soviet Union, is the growing strength and unity of the Western nations, as evidenced by the unexpectedly rapid progress made in London on European defence arrangements during September and October. By holding out new and better prospects of agreement on disarmament, and by explaining them in as leisurely a fashion as possible over four long weeks of debate and interrogation, the Soviet Union evidently hoped to weaken the united purpose of the West and above all to delay German rearmament. While this aspect of the debate can never have been far from the minds of the representatives of Western nations, a real effort was made to take the Soviet proposals on their merits.

Hitherto United Nations debates on disarmament have come up against three main problems: the matters with which a disarmament treaty should deal, the method of working of the international control organ, and the timing of the successive stages of any disarmament plan. After four weeks of debate it cannot be said that

of these three main problems have been resolved, but the door has been opened for the possible solution in detail of at least two of them. Mr Vyshinsky maintained that his new proposal of September was based on the Anglo-French proposals produced in the summer which had called for a reduction of armaments by 50 per cent under careful control. The previous Soviet refusal of these proposals had been based on the charge that they did not provide a safeguard against the prohibition of atomic weapons but were rather designed to justify their use, although, in fact, the proposals specifically included the ultimate total elimination of all nuclear and other new weapons. The new Soviet plan seemed to suggest a major change from this position, providing for stages of disarmament and no longer insisting upon the prior elimination of nuclear weapons, which have been the West's only real safeguard against the superiority of the Soviet Union in military manpower. It was, however, studiously vague, and it required nearly four weeks of skilful questioning by Mr Lloyd, M. Jules Moch, and Mr Wadsworth of the United States before it emerged that there remained, in fact, very large differences of opinion on practically all the main issues.

It became clear during these four weeks that the Russians still favour proportional cuts in armaments (which would tend to perpetuate the present inequalities in conventional armed forces in favour of the Soviet Union) rather than a reduction to agreed limits, category by category, as proposed by the Western delegations. It also became clear that the Soviet view of the nature and functions of the control organ still come nowhere near to the minimum powers and authority which the Western delegations regard as essential if it is to provide any safeguard at all against unilateral rearmament. It emerged that the Soviet Union considers that the control organ itself should not be allowed to give orders for an interim cessation of work where it considers a violation of the disarmament treaty to have taken place, or on sanctions, even of a provisional nature, to be taken, but that such matters should be within the authority of the Security Council and, therefore, be subject to the veto. The control organ's function, in the Soviet view, would, in fact, be merely to report and not to act.

Mr Vyshinsky was also studiously vague about the freedom of movement of the agents of the control organ, their access to factories, laboratories, etc., and the nature of their representation in important centres of armament production. It is the Western

contention that the agents of the control authority must at least be empowered to give interim orders in cases of a breach of disarmament agreements. The Soviet view of safeguard, on the other hand, extends only to supervision and reporting on the application of a series of rules and instructions for the regulation of armaments based on the international agreement and signed by the Governments concerned, while the Security Council would be responsible for any measures necessary to deal with violations of such an agreement. When Mr Vyshinsky was specifically asked if aerial reconnaissance would be permitted to the control organ, he replied that a sovereign Government could not accept such activity over its territory; whereas the United States specifically stated that it would allow the control organ's planes to fly over its territory in accordance with the treaty which it hoped would be signed and ratified by the United States Senate. It is the view of the Western delegations that day-to-day enforcement measures should not be subject to the veto, whereas the Soviet Union considers that enforcement, as well as more drastic punitive measures against violations of the treaty, should be within the authority of the Security Council alone and therefore subject to the veto.

On the question of the timing of a disarmament programme, the Soviet Union has given up its demand for an unconditional prior ban on nuclear weapons before any treaty has been signed or any control organ exists and is ready to function. This is the major Soviet concession. But the Soviet view of the nature of the control organ both in the first stage, where reductions in conventional armaments only will take place, and in the second stage, which will include reductions in nuclear weapons, is at variance with the Western position. Western Governments maintain that a permanent control organ must be functioning fully from the outset of any plan, and should forthwith have maximum authority.

Thus there still remain many large and important obstacles to an agreement on a comprehensive disarmament treaty. The Assembly unanimously referred the question once more to the sub-committee of the Disarmament Commission, specifically for the purpose of reaching agreement on proposals for the regulation, limitation, and major reduction of all armed forces and conventional armaments, the total prohibition of use and manufacture of nuclear weapons and weapons of mass destruction of every type, and the establishment of an effective international control organ. The way is therefore once more open to a detailed agreement and it can only be

hoped that both sides, having made some concessions, will be prepared, in private discussion, to go further on points of detail as well as on main principles.

The General Assembly followed up with vigour President Eisenhower's initiative on the peaceful uses of atomic energy, which had first been announced at the previous session and which was elaborated by Mr Dulles in his opening speech. The subject was one on which even the Soviet Union, which had prevaricated on its participation in the plan throughout the previous nine months, could find little disagreeable to say. Before voting for the resolution, however, Mr Vyshinsky took considerable time to point out that the plan was no protection against the atomic war-mongering of the United States, that it had been changed into a less generous form than the original proposal, doubtless for sinister reasons, and that anyway the Soviet Union was far ahead of the field in the development of the peaceful uses of atomic energy.

Apart from this intervention, the debate took the form of a statement by each country of its atomic resources, its possible contribution to an international programme, and the advantages which it hoped to reap from the success of such a plan. As it is estimated that the energy in the world's recoverable reserves of uranium and thorium is twenty-three times as great as the energy in its entire reserves of coal, oil, and gas, the ultimate gain which the members of the United Nations may expect from President Eisenhower's plan is considerable. Although it is on its possibilities as an alternative source of power that the main hopes, especially of under-developed countries, are centred, it was made abundantly clear that such profitable possibilities could not immediately be realized since the building and use of atomic reactors for power production is as yet in its infancy, except, according to Mr Vyshinsky, in the Soviet Union. Meanwhile, the organization of a wider international distribution of radioactive isotopes for use in industry and medical and agricultural research, and the making available of training and research facilities to the many countries who have, as yet, little experience in the atomic field, are important steps which can be taken immediately.

The atomic energy plan has, in fact, matured considerably since its first announcement by President Eisenhower, and the economic and financial realities as well as the scientific ones have been taken more seriously into account. The agency, which was originally to have been a kind of bank of fissionable materials, has now assumed

the form of an international clearing house for information, research, and training, since it has been realized that to set up a whole new atomic energy development agency instead of using the existing projects in various countries would be extremely expensive and inefficient at this stage of scientific development. It was this change which especially roused the indignation of Mr Vyshinsky. The under-developed countries, in particular, have been exhorted to be patient and moderate in their immediate expectations from the development of atomic energy, which, apart from technical skill and trained personnel, requires a very large capital outlay before it can become a factor in the economy of any country.

The debate in the Political Committee on this subject was one of the frankest, most informative, and least controversial that has ever been heard in the United Nations, perhaps especially because the delegates had spent the previous four weeks looking on the darker and more destructive side of nuclear power and found it a relief to play for a change with broad scientific facts and terms, with cheerful economic and social prophecies, and with offers of mutual assistance. It was an encouraging interlude despite the vast technical and financial problems to be solved before the prophecies can begin to be fulfilled.

The resolution, unanimously adopted, called for the establishment outside the United Nations of an international atomic energy agency for the exchange of information and material to facilitate the practical application of atomic energy for the benefit of the whole world, and stipulated that this agency should be brought into relationship with the United Nations after it had been set up, a wise precaution against political interference in the actual establishment of a scientific agency. It further arranged for an international and scientific conference to be held in the summer of 1955 to explore the means of developing the possible uses of atomic energy through international co-operation. The U.S.A. and U.K. gave, as an initial practical contribution to the programme, sufficient fissionable material to activate a number of research reactors.

Two new disputes, both over colonial questions, appeared upon the agenda this year. The first of these arose from the claim of Indonesia to sovereignty over the Dutch territory of Western New Guinea, or West Irian, a claim which has little basis in history, geography, or on ethnic grounds and which was frankly based on its emotional appeal as a blow in the struggle against colonialism. Since the inhabitants of the area are scattered and extremely

primitive tribes, in whose development the experience and sources of the Dutch are more likely to be of use than the political aspirations of the Indonesians, the claim for a transfer of sovereignty faced the General Assembly with the dilemma, which it came to know well in the last few years, of reconciling ordinary political common sense with its natural sympathy for backward peoples and for the national and anti-colonial aspirations of former colonial countries. The claim was opposed especially strongly by Australia, on the ground of maintaining the security and stability of a neighbouring and strategically vital territory. A resolution which half-heartedly recognized that there was some validity in the Indonesian claim by urging a resumption of negotiations, sent through the Political Committee but failed to get the required majority in the plenary meeting.

The second new colonial item was the dispute over Cyprus which was generally regarded as a regrettable family row over a piece of property between two older relations who should have known better than to let it become public. The Greeks maintain that their concern is not to get possession but merely to apply the principle of the right of self-determination, as set out in the Charter to the people of Cyprus, and to use the competence of the General Assembly to recommend measures for the peaceful adjustment of a situation of this kind, as also set out in the Charter. They maintain that the statements, suggestions, and offers of various British statesmen from 1863 onwards, and especially during the First World War, show that even the United Kingdom has recognized the essentially international character of the Cyprus question and the interest of Greece in its future.

The United Kingdom maintains that on political and historical, geographic, and strategic grounds, but especially on legal grounds, Greece has no legitimate claim on Cyprus, and that the question is not one for the United Nations, in view of the domestic jurisdiction clause contained in Article 2, Paragraph 7, of the Charter. It is the British contention, and one which was taken seriously by the majority of the Assembly, that since Greece has by treaty recognized that Cyprus is under British sovereignty, the present claim by Greece might set an unfortunate precedent by which any country wishing to extend its territory might, fortified with ethnic, religious or historical arguments, invoke the precedent of Cyprus in order to make territorial changes favourable to itself, regardless of treaty obligations and other sources of international law. In such a situation

tion, few frontiers could be taken as permanent, and unrest and subversive activities in frontier areas among racial minorities might be fomented by the mere fact of discussion in the United Nations. For these reasons the United Kingdom strongly opposed the inscription of the subject on the agenda, which it maintained would merely exacerbate the situation in Cyprus itself and jeopardize the friendly relations between Greece and the United Kingdom to the satisfaction only of those elements which sought to profit by international discord. The effect of such a dispute on the defence obligations which the United Kingdom has assumed in the Middle East and under the North Atlantic Treaty would also only be harmful. Turkey too was strongly opposed to discussion of the item on the grounds of her strategic interest in the status of Cyprus and of the future of the large Turkish minority there.

In spite of these arguments, the Assembly agreed by 30 votes in favour and 19 against, with 11 abstentions, including the United States, to consider the item. It did not in fact discuss the question until very late in the session, and the debate was surprisingly peaceful. It finally decided by 50 votes with no opposition and only 8 abstentions that for the time being it was not appropriate to adopt a resolution on the question and that it would not consider the item any further.

The Assembly again postponed any action on Tunisia and Morocco and confined itself to expressing pious hopes over a settlement in Korea. It noted progress made and reaffirmed its previous views on the evacuation of Chinese troops from Northern Burma. Little further progress was made on the admission of new members, the pending applications being sent back to the Security Council for positive recommendations, with a recognition of the general feeling in favour of universality of membership. The Assembly took note of the semi-permanence of the problem of Arab refugees by prolonging the United Nations Relief and Works Agency for Refugees in the Near East for five years. Once again, no headway was made on the question of Indians and the race conflict in South Africa. The Assembly also dodged a Soviet charge of United States piracy—another name for the activities of the 7th Fleet in the China Seas—by an adroit reference of the whole problem to the International Law Commission.

In the closing weeks of the session the Assembly found itself faced with the United States complaint of the sentencing as spies of eleven United States airmen of the United Nations Command



who had fallen into Chinese hands in the course of the Korean Armistice Agreement. The Assembly, apart from the Soviet bloc and India and six other Asian and Near Eastern countries who abstained, showed a surprising degree of indignation and determination on this question and enlarged it to include the repatriation of all other United Nations Command prisoners. The idea of the corporate responsibility of the Assembly for these individuals was forcefully put, especially by Mr Nutting of the United Kingdom, and the Secretary-General was entrusted with the responsibility of seeking their release. On the larger political issues involved, this assignment is certainly the most difficult and delicate diplomatic task so far given to the Secretary-General. Though Mr Hammarskjöld's efforts have been immediately successful, they will certainly vitally affect the whole question of the relations of Communist China with the United Nations, but also the future role of the Secretary-General.

The Assembly's Economic Committee was again concerned with the problem of financing economic development both through the possible establishment of a special United Nations Fund for economic development (SUNFED) and through the setting-up under the auspices of the International Bank of an International Finance Corporation. The first method, by which funds might be expected to be forthcoming on easier terms than through the second, is naturally favored by the under-developed countries and less by the highly developed countries who will have to provide the money as a government contribution. The precise nature and possibilities of government financial support for the United Nations and the national operations, especially with regard to the development program of under-developed countries, will continue to be in the air, although it is unlikely to amount to much until the political tension reduces some of the burden of armaments expenditure for the potential contributors. The development of the second and more limited alternative, the International Finance Corporation, which will operate through investment of private capital in private enterprises in under-developed countries, will proceed under the auspices of the International Bank. The General Assembly also adopted a resolution encouraging the international flow of private capital to the under-developed countries.

On the social side, provision was made for the High

sioner for Refugees to undertake a programme of permanent solutions for refugees, where the present methods of repatriation, resettlement, and integration have failed to provide a complete solution. The Assembly also continued to draw subjects from the inexhaustible well of human rights problems of all kinds, ranging from self-determination to forced labour. Definite conclusions do not often result from these lengthy discussions.

The Committee on Trust and Non-Self-Governing Territories is, next to the Political Committee, the most hard-worked body of the Assembly and considers a vast range of general and specific problems. The general problems are mostly skirmishes in the main struggle between colonial and anti-colonial countries, and each year a frontier is pushed a little further by the latter. For example, the Assembly this year voted, over the opposition of the administering Powers, that the voluntary transmission of political information on non-self-governing territories to the United Nations by the administering Powers was in accordance with the Charter, and it urged them to co-operate. Of the specific problems perhaps the most important this year was that of Togoland—the question of whether British Togoland should, when the Gold Coast attains its independence, be unified with the Gold Coast, or with French Togoland, or should assume some other, independent, status. The presence of Togoland chieftains in full regalia lent colour to this important debate, and the question will be further studied on the spot by a special mission of the Trusteeship Council.

Out of the large mass of administrative details regulated by the Assembly it may be noted that the Assembly approved the Secretary-General's reorganization of the Secretariat which is intended to streamline the rather cumbrous previous organization and make the staff a more flexible instrument.

The Legal Committee was preoccupied with the question of defining aggression, which it referred to a special committee, and especially with two aspects of the regime on the high seas and of territorial waters. The first, problems relating to territorial waters, contiguous zones, the continental shelf, and what are called 'superjacent waters', was referred to the International Law Commission for exhaustive study and report. The related question of fishery conservation and regulation is to be studied by a technical conference which will formulate the technical considerations which must guide the International Law Commission in its work on the legal aspects of the problem.

This year will see the tenth anniversary of the San Francisco Conference at which the United Nations was born. Despite frustrations of the cold war and the contrast between the San Francisco and the realities of 1955, the ten years have been a period of extraordinary vitality and development. If progress on large political problems has been slow, or sometimes none, the organization has adjusted itself to the facts of the international scene without compromising the principles on which it was founded and it is now in a position to reassert some of its influence as a political moderator between the various regional groups. New problems have appeared sometimes in the past ten years to be outside the intended functions. Indeed, the stark realities of atomic energy make it essential that this influence should be reasserted. The United Nations is a body of tradition and precedent, and with it a sort of stability is growing up within the United Nations and has already begun to transform the loosely knit association of States of 1945 into a more organized organization with its own character and spirit, which commands increasing respect and loyalty both from its members and from the world at large. The acceptance of international responsibility for economic and humanitarian problems as well as for political ones, and the practical support for international programmes of development are increasingly forthcoming for international programmes of development is perhaps the most convincing evidence of this development.

The change in the political atmosphere and the glimmer of agreement on several important political matters at the concluded session of the General Assembly have reinforced the transformation and give grounds for hope that the stormy early years may be subsiding, and that the long and less successful effort to construct a solid basis for the maintenance of world peace in the United Nations may now be beginning.

# *The Nature of U.S. Foreign Economic Policy*

## THE BASIC FACTORS

AMERICAN foreign economic policy is neither virtuous nor vicious, selfish nor altruistic. Like Topsy, it just grow'd; but it grew, and continues to develop, as the result of a series of factors which can usually be analysed and which are generally predictable. For policies must be seen not as the result of continuous and coherent intention which can be changed at will by successive Administrations, but largely as the extension of domestic economic interests and the political pressure that they can bring to bear directly or indirectly on Washington. There is hardly an event in the economic sphere which does not affect foreign economic policy, and hardly an interest which does not have its predetermined attitude. Where attitudes to international decisions in the political sphere are seen through the muddled glass of popular myth and emotion, attitudes to economic policies are clear and articulate.

But the beliefs behind these attitudes are nevertheless riddled with the same illogicalities that mark domestic economic practice and thought. For where expediency is the ruling factor in shaping opinion on tariffs, farm price supports, or direct subsidy, philosophy must be made to fit need rather than the reverse. The Kansas wheat grower with a support price for his crop and the Texas rancher whose cattle are at the mercy of the market may both as individuals voice an identical abhorrence for any form of 'Socialism'; but they will be diametrically opposed on the question of farm price supports. But while Americans broadly speaking are historically protectionist first, there is no clear-cut 'American' view of protection or free trade as there is of Communism or recognition of Communist China.

A vivid example of the absence of coherent thought on foreign economic policy, other than that evoked by immediate interest, was given in the hearings on oil imports before the Materials and Fuels Sub-Committee of the Senate Interior and Insular Affairs Committee in December 1953.<sup>1</sup> Mr J. P. Coleman, a small crude oil

<sup>1</sup> The gist of the protectionists' case was that United States oil production costs are higher than those in the Middle East, and therefore limitation of imports is necessary to allow a sufficient profit level to encourage the further exploration in the U.S. which is essential for national security. The international companies also cited security, but as the reason for conserving American supplies and using Middle East sources.

producer from Wichita Falls, Texas, put the case for restricting imports to the Sub-Committee and strengthened it with the comment: 'We have been blessed with an abundance of oil in this country because our people have been free, and because of the freedom the pioneering spirit has flourished.' The Vice-President and Assistant to the Chairman of the Board of the Texas Company, one of the big international companies with Middle East interests, also used the argument of freedom in putting the opposite case. 'The fact is that this country needs both a healthy domestic industry and a healthy American-owned foreign industry. The balance between the two may at times appear to be uncertain, but the free play of economic forces is a far better balance wheel than governmental regimentation or control.' Mr Russell R. B. General Counsel of the Independent Petroleum Association of America, went further along the same lines, but, like Mr Collier, in favour of restricting competition from foreign oil: 'I doubt if the study of American history would reveal any achievement contributing more to the progress of mankind than the expansion of the development and use of this nation's petroleum resources. This accomplishment cannot be attributed to any bounty from Mother Nature, or to any abilities unique to the people of the United States. Instead, it has resulted from the form of government wisely established by our founding fathers. Under this form of government, the natural abilities of men and their human impulses were unshackled and encouraged, within the framework of the laws insuring that this freedom contributed to the public good. The right to private ownership of land, the freedom to buy and sell, and the incentive to profit for one's self and one's family have been basic to the successful discovery and development of ever-increasing quantities of petroleum in the United States.

It is interesting to note that protests of Americanism rarely occur when used in advocacy of a policy which is 'un-American' or a plea for Government interference. But the point of these quotations is not so much to demonstrate illogicality, which is inherent in much of the American way of life, as to illustrate that the addition of identical reasons for opposite courses shows how little identity enters into the advocacy of policies by the interests which have the power to influence such policies.

Despite the absence of any general philosophy, the historical background to American trade policies is one of protectionism, partly because of the surviving tradition of a young country

growing behind tariff barriers, partly because the legal basis for trade over the last quarter of a century has been the Smoot-Hawley Act which introduced the highest tariff level in American history and which drew the claws even of potential opponents of protectionism by welcoming them into its ample bosom. Moreover the arguments which the protectionists can use have a fundamentally more powerful appeal than those of their opponents. The visible plight of the small man put out of business by imports has a greater political impact than the more complex and abstract arguments for liberalization.

One of the most useful indications of a majority attitude on foreign economic policy and practice—as far as one exists—is contained in the Minority Report of the Randall Commission on Foreign Economic Policy.<sup>1</sup>

This is a far more important document to the understanding of policy-making than the majority recommendations which are on the whole an impeccable exposition of the economic role that the United States should play in the world, but represent a narrower circle of effective opinion. A basic principle, state Representatives Reed and Simpson, is that 'foreign economic policy should be considered primarily in its relation to the domestic economy'. The Minority Report criticises the tariff recommendation of the majority on the grounds that 'it fails to recognize the existence of the fundamental principles of international trade and the essential policy of tariff policy development which Congress has followed since 1792. Under these policies we have developed the most dynamic, the most productive, and the most balanced society of all history with the highest living standards for our people'. And again: 'One basic factor in (the United States) economy is the protection afforded to our essential industries, our agriculture, our workers, by tariffs. Many industries could have been developed only under this protection and without them we would probably have lost World War II. Tariffs insured to them the opportunity to develop productive facilities, products, and markets within the United States in full and free competition with those whose standards of production, labour costs, and other cost and pricing factors were similar. Legitimately expanding, as well as infant and defense, industries in this country have been protected from unfair competition of sweatshop labour, child labour, collusion, monopoly,

<sup>1</sup> Minority Report by Daniel A. Reed and Richard M. Simpson. U.S. Government Printing Office, Washington, D.C. 30 January 1954.

and similar unfair competitive practices, long ago declared illegal in this country.'

All these arguments are highly attractive emotionally and politically, even though the damage done by imports to an American industry has in no case been clearly proved.<sup>1</sup> And it is here—in the dominance of domestic interests over foreign economic policy—that one of the chief difficulties in trade relations between the United States and exporting countries has arisen. In a country which is self-sufficient in a majority of goods and whose foreign trade is a minimal percentage of the national product, the economic policies demanded by domestic interests tend to be short-ranged and prompted by the state of the economy at a particular time. Foreign economic policies, on the other hand, need to be continuous and long-ranged in order to ensure to exporters that any success achieved in winning a market cannot be removed immediately it is gained.

It is tempting to separate foreign policy decisions in the political sphere from those in the economic sphere, particularly as far as tariffs and trade are concerned, however much they may in reality overlap. The making of tariff and trade policy is much more a question of power and of the arraying of rival pressure groups than the making of decisions in the more narrowly political field where direct interest is largely absent and public opinion more uniform.<sup>2</sup> Foreign policy cannot ignore the strength of public opinion in the United States even though it is possible for a strong Administration to lead and guide it. Despite the fact that President Truman stigmatized the 80th Congress as the 'no-good, do-nothing Congress' he was able to compel it to pass all legislation in the realm of foreign policy and foreign aid. With trade policy the position is reversed; public opinion is fundamentally neutral (even if conditioned by the fact that prosperity has been achieved under—though not necessarily because of—a century and a half of tariff

<sup>1</sup> Although certain industries—such as embroidery—could be eliminated by imports (perhaps rightly from the consumer's point of view) and others—such as woollen textiles—severely damaged, it is very hard to prove that in the past imports alone have caused the difficulties of a particular industry. With the last industry—watch-making—to be given protection under the escape clause, there is little doubt that domestic factors were at least as important to the industry's problems as Swiss imports.

<sup>2</sup> There are, however, certain primarily political pressure groups, such as the China Lobby, which came into existence to serve outwardly political ends. The American Medical Association, which has spent several million dollars on propaganda against 'socialised medicine', can also probably be counted in this category.

protection) and pressures are well-organized and articulate. The Administration is here forced to imitate the Duke of Plaza Toro and lead its regiment from behind. The passing of legislation depends upon the marshalling of sufficient forces on the side of the Administration's programme. And these forces—paid lobbyists, Senators and Representatives who have the interests of their own regions (and their own re-election) at heart—are not susceptible to leadership but only to compromise. On the other hand there is still an incalculable factor in the equation, which is the strength and quality of the Administration and the determination with which a President is prepared to appeal to the wider public, who elected him, over narrower interests. The history of the tariff has been the history of pressure groups and will continue to be so. But the significant factor in the post-war era has been that the pressure groups are no longer firmly ranged together in the same camp and that there has been a succession of Presidents, irrespective of party, committed to the liberalization of trade.

#### THE POST-WAR ALIGNMENT

The great post-war decisions of the Western world have in many cases been those in which the United States has taken the leading part—aid to Greece and Turkey, Marshall Aid to Europe, and armed intervention in Korea. They have all been inevitably part economic, part political. But the support that they have been able to secure for their execution within the United States itself has not had sufficient continuity to allow them to appear in long perspective as very much more than a series of discrete decisions—be it the 'right' ones from the European point of view—produced to meet particular challenges. The disillusion which prevails in America today as a result of failure to achieve a lasting success against Communism—however much such success is in the nature of things unattainable—has brought a sense of frustration and impatience with the measures that have so far been used. Moreover with the advent of the Republican Administration even the outward continuity of international decision was broken in an attempt to produce a foreign policy peculiar to the Republicans, rather than accept in name (as has now been accepted in fact) the mantle of the despised 'Truman-Acheson' policies.

Similarly in the history of post-war American trade policy there has been a remarkable continuity of practice even if not of principle. Few exporters have had any real cause to complain of their treat-



ment in the American market, and often the tariff has come to be more an excuse for failure to sell rather than a genuine barrier. Nevertheless the tariff remains a symbol both to America and Europe as an indicator of United States policy trends out of proportion to its real importance. And the legislation underlying post-war practice has been the main cause of concern to the non-American world. This is fundamentally capricious in its application, cumbrous in its working, and fickle in duration. Although it can be argued that the escape clause has been invoked less than a score of times, compared with the many thousand articles which are imported into the United States, and exercised only four times, its threat is of infinitely greater importance than the extent to which it has been used.

Today, however, there are better prospects for the creation of a legal basis for more liberal trade than before. The Democratic control of Congress should mean that there is now at least the possibility of a working majority for new trade legislation. It cannot be expected to bring about a revolution because of the nature of economic policy decision. Nevertheless, in that the structure of Government and the constituents of Congressional committees play a vital role in legislation, the replacement of Republican Chairmen, such as Senator Millikin and Representative Daniel Reed, by Democrats will make more possible the passage of President Eisenhower's original trade proposals based on the recommendations of the Randall Commission. Under the Republican-dominated Congress the recommendations were foredoomed to failure, despite the fact that President Eisenhower's sincere beliefs and efforts lay behind a more liberal trade programme. His philosophy of government—a belief in the delegation of authority more suited to military than political life—could only lead to the frustration of his policies. With the election of a Democratic Congress there can now be—unless power is used simply for party purposes—a possible majority which will support the President's programme.

But while this lies only on the surface of policy-making, there are more fundamental alterations in United States attitudes today which will be of infinitely greater importance than changes in Congress or in the White House. The most important indication is the formation of the Committee for a National Trade Policy created by business men primarily to support the recommendations of the Randall Commission and secondarily to become a permanent body,

obably with a paid lobbyist in Washington, to further more liberal trade policies. The Committee, headed by Mr John Coleman, the President of Burroughs Corporation, numbers in its ranks a formidable group of industrialists embracing a wide range of industries. Such a body could not have existed fifteen or twenty years ago when the advocacy of lower trade barriers was confined most exclusively to academic circles.

The Committee is motivated both by idealism and—since many exporters—by interest; but in the long run it will be interest which will prove the most important factor. Its creation means that for the first time in American history the forces of protection led by the American Tariff League now meet vocal opposition. The protectionists, however, are still strong, and today the traditional Jeremiahs—the hand glass blowers, the dress glove and pipe makers, and the embroiderers, who have always managed to secure support disproportionate to their size—have been joined in the fight against imports by more substantial forces—the independent companies, the lead and zinc producers, large sections of the chemical industry,<sup>1</sup> and even General Electric. But on the other side are the motor manufacturers (and the motor industry's trade union, the U.A.W., one of the most efficient and powerful in the country), an increasing uniformity of professional opinion throughout the U.S.A. irrespective of region, and a growing body of farm opinion which sees mounting surpluses and foreign trade as the only way to diminish them. Yet there remains probably greater economic interest—and certainly greater organized interest—vested in protection rather than on the side of liberalization.

Lobbies, the Washington spearhead of pressure groups, traditionally flourish under a weak President and when party cohesion is weak.<sup>2</sup> Today both these conditions prevail: for President Eisenhower must be adjudged a weak President so far in the perspective of history because of his own belief in the constitutionality of returning considerably more power to Congress. The two parties moreover are both split for the moment into several groups. Under these circumstances it is understandable if the average congressman is prepared to resist anything except pressure, and comes, as Pendleton Herring described the American politician,

Monsanto resigned from the National Association of Manufacturers in October 1953 because of a comparatively mild N.A.M. statement (later withdrawn) in favour of more liberal trade policies.

In 1950 the Buchanan Committee showed that there were 31½ lobbyists every Congressman.

'a specialist in public relations' finding the terms on which conflicting groups can exist. The Coleman Committee will need to fight protection both inside and outside Congress with the same weapons that the protectionists have long used. Vulnerable industries today display the products of their foreign rivals to their employees both to stimulate improvement on them and to provoke a sense of personal interest in the existence of the tariff. Such action is far more difficult to emulate in the name of liberalization. 'Business,' said a Senate Investigation of the Concentration of Economic Power in 1940, 'has been very successful in convincing the ordinary citizen that his interest as a producer overshadows his problems as a consumer.' But with industry and agriculture both now divided for the first time the basis at least for a counter-attack exists.

It is against this background of changing basic attitudes and a reconstituted Congress that the Administration's latest legislative proposals must be viewed. Both in his State of the Union message on 6 January and his special message to Congress on foreign economic policy four days later, President Eisenhower reiterated his known personal wishes for a liberalized trade programme and expressed the Administration's intention of putting them into effect. The proposals in fact differed negligibly from those contained in his message to Congress on trade policy nine months previously; but the President this time showed a fundamentally different political approach (or at least a recognition of political realities) in his request for the bi-partisan support whose necessity had been so conspicuously ignored in his attempts to achieve legislation in this sphere earlier. The 10 January message asked for a three-year extension of the Reciprocal Trade Act and Presidential authority to 'negotiate tariff reductions with other nations on a gradual, selective, and reciprocal basis.' Specifically the President asked for the following three points, subject to the existing peril and escape clause provisions: (i) reduction, through multilateral and reciprocal negotiations, of tariff rates on selected commodities by not more than 5 per cent a year for three years; (ii) reduction, through multilateral and reciprocal negotiations, of any tariff rates in excess of 50 per cent to that level over a three-year period; and (iii) reduction, by not more than one-half over a three-year period, of tariff rates in effect on 1 January 1954 on articles which are not now being imported or which are being imported only in negligible quantities. President Eisenhower also

ested legislation for the simplification of the Customs valuation of imports and for tax discrimination in favour of overseas investment.

These proposals, while appearing as extreme liberalism to the champions of protection, are cautious and moderate, and reflect more realities of the situation than a recognition of need. The retention of the peril point and escape clause provisions means that the most potential obstacles to foreign exporters will remain. The dilemma of domestic farm policies, moreover, which continue to conflict directly with foreign trade policy despite the modest element of flexibility that has now been injected into price supports, has been left until a later date. Judged by need, the proposals appear inadequate; viewed in the light of political possibility they at least offer a chance of success, however slight, which is considerably better than the total failure which they met in the session, and better also than stalemate.

The improvement in the outlook for a more liberal trade policy in law as well as in practice is therefore a real one, but foreign trade policy probably remains one of the most vulnerable elements in the portfolio of the Administration's foreign programme. With a lessening of the external threat, or an increase in unemployment, or even a growing prosperity in the outside world, interest groups may again become dominant in their demand for a curtailment of any further tariff reduction and for an end of aid. Trade policies form the most vital part of economic policy as a whole in that it is the field in which legislation can make a substantial difference to short-term American practice. But military and economic aid will continue to play a role of major importance in the world. The focus, however, has now shifted from Europe to Asia, which appears likely to become the chief recipient of aid if the proposals put forward over the past few months can be crystallized into legislation. The success of an Aid to Asia plan depends largely on the extent to which public opinion (and its reflecting mirror, Congress) can be brought round to the support of a project which may prove to be of indefinite duration—a commitment always unpopular in a country of such swiftly changing moods.

The present indecision over economic policy is in fact linked with the reluctance to accept a position as leader of the free world, to the failure to find a satisfactory alternative to put in the place of an isolationism which has now been largely rejected. The

dominant problem in the United States today is to define its attitude to the outside world. While the Cold War with its protracted uncertainties helps to obscure and delay a clear path to decision, it will also help to frustrate the idealism which is gradually growing over economic policy and over the part that America should play as the world's greatest creditor. The genuine generosity that prompted widespread support for Marshall Aid has for the moment been blunted, and disillusion is today the greater because of the earlier illusions which had fostered the hope of finding a final solution to world problems. To the extent that general public opinion can influence economic policy in the sphere of both aid and trade it is emotionally probably on the side of rejection of the world; though the mercurial quality of American opinion makes its future course hard to predict. For the moment, at any rate from the Cleveland automobile production worker, who likens aid without surveillance to the travelling salesman away from his wife, to Senator McCarthy's fulminations over 'blood trade' with China, the sense of criticism of Europe in particular is sharp. The existence of United States tariffs does not prevent Americans objecting to the continuance of British and European trade restrictions, and it is false optimism to expect a logical application of the same principles to both. The maintenance of foreign tariffs will always have a deeper influence on popular thinking among Americans than their own restrictive trade practices.

But this is little more than a gloss on the basic realities of economic policy which will remain the battlefield of interests. In that these interests are today divided, and in that a sense of the need for the United States to play a leading role in the world is spreading from academic and Government to business circles, there is a considerably more encouraging picture now than in the past. The debate itself is of value, and every report that emerges, even if it appears to meet with defeat, is a step in the right direction. The fate of the Randall Report has so far been a disappointment. But it has added another important brick to a growing edifice, and it has kept the question of trade before the whole country, not merely in the hands of partisan groups. Nothing can be expected to happen quickly, for the war is one of attrition. Moreover it is an old American saying that free trade wins all the arguments, protectionists all the elections.

G.C.

# THE WORLD TODAY

Volume 11 No. 3 March 1955

\*

## Notes of the Month

### *President Eisenhower between China and Formosa*

PRESIDENT EISENHOWER's attempt to stretch a clear line between Communist China and Nationalist Formosa has resulted in a tangle which has at least the advantage that it has drawn attention to the knots in the problem. When Mr Eisenhower asked Congress for authority to take military action to protect Formosa and the neighbouring Pescadores islands, his purpose was to give the Communist Chinese an unmistakable warning that their growingly aggressive attitude toward Formosa could mean war with the United States. Thus the President hoped to avoid the uncertainty which, he believes, has led to many wars in the past.

The United States was committed by earlier promises and by the mutual defence treaty with the Nationalists, which has now been ratified, to defend Formosa and the Pescadores; these are officially regarded (although there is some argument on this) as a vital part of the strategic defence perimeter in the Pacific. But Matsu and Quemoy and the other islands just off the coast of Communist China which are now held by the Nationalists were outside this perimeter. The United States had given no guarantees regarding them; moreover they were being used by the Nationalists as bases for raids on the mainland. Nevertheless the President asked that the congressional resolution should leave him free to defend these islands, and even to bomb Communist bases, if he thought it necessary. Since then the Secretary of State has declared that the United States will be forced to defend Matsu and Quemoy as long as the Communists insist that their attacks on them are the preliminaries of an attack on Formosa.

It may be sound military practice to keep the enemy guessing, but it is hardly consistent with a clear line. There were, however, other military considerations behind the vagueness. It would do serious damage to the morale of the Nationalist troops on Formosa, now regarded as a valuable fighting force, to allow their comrades on the offshore islands to be sacrificed. The prestige of the United

States in the Far East as a whole would also be damaged. And finally, General Chiang Kai-shek is understood to have made the evacuation of the Tachen Islands, which even the American military men considered desirable, conditional on Matsu and Quemoy being saved from the same fate.

Similarly in Washington General Chiang Kai-shek's friends, led by Senator Knowland, who is also the leader of the President's party in the Senate, would probably not have supported the President's resolution if it had openly excluded Quemoy and Matsu. But here Mr Eisenhower was caught in a political squeeze which was made more acute by the differences of opinion among the country's chief defence advisers on what was strategically desirable or militarily possible in the area. For around Quemoy and Matsu crystallized the fears not only of those who thought (probably quite rightly) that the congressional resolution meant the end of the Nationalist hopes of returning to the mainland, but also of those who thought it might involve the United States in war with the Communists.

To the second group, which has the sympathy of some influential publicists, the mutual defence treaty, which puts the United States under an obligation to help the Nationalists, was more dangerous than the unilateral resolution which could be changed by Congress at any time. It was left mainly to the independent Senator Morse to express these doubts in the debates in the Senate, but they are held more widely and persistently than is suggested by the almost unanimous votes approving the resolution and the treaty. The latter vote was facilitated by assurances that the Administration was morally bound by the explanatory reservations in the Senate Foreign Relations Committee's report on the treaty. These reservations were to the effect that the United States was not committed to defend Matsu and Quemoy under the treaty, or to support a Nationalist attack on the mainland. Furthermore the treaty did not constitute a recognition that the Nationalists had a permanent legal right to Formosa, whose international status has not been finally settled since the war.

The confusion arising out of the President's attempt to steer a course between charges of appeasement on the one hand and aggression on the other was made worse by the discrepancies between what he told the American people and what his Secretary of State told America's allies. But out of all this, and particularly out of the importance which the President attached to the attempt to

obtain a cease-fire through the United Nations, one encouraging thing emerges. This is at long last a definite attempt by the United States to make a fresh start in the Far East, to disengage itself from both Chinas, and to set a pattern within which lasting co-existence might be possible in Asia as well as Europe.

### *France's Search for a Government*

THE defeat of M. Mendès-France's Government was not unexpected. The Assembly's growing hostility to him had been evident ever since Parliament reassembled early in November and the Government had, in fact, been defeated five times before the vote which resulted in its resignation on 5 February.

The debate which preceded that vote was notable in particular for the personal hostility towards the Prime Minister which it revealed, and for the negativism of the Opposition on the North African problem, the issue on which the Government was defeated. Right-wing and Radical critics emphasized the need for order to be restored before concessions were made, a familiar viewpoint apparently unaffected by the persistence of terrorist attacks in Morocco and Tunisia during the past three years of French resistance to concessions, and now strengthened by the assumption, unsupported by evidence, that the outbreak of terrorism in Algeria in November was a direct consequence of the Government's North Africa policy. M. Mendès-France reminded the Assembly that it had three times expressed confidence in that policy, that the circumstances remained unchanged since the last vote of confidence on 11 December, and that he was doing no more than fulfil promises repeatedly made by previous Governments. The Minister of the Interior, M. Mitterand, reminded Deputies that what he was trying to do in Algeria was to apply progressively the provisions of the Algerian Statute, voted in 1947, and that 'to progress, it is first necessary to begin'.

But the political atmosphere was now very different from that of July 1954, and 319 Deputies, including 20 Radicals (led by M. René Mayer, who represents the settler vote in Constantine), a dozen Gaullists, and the M.R.P., voted against the Government.

It had been fairly generally assumed that one of the consequences of the constitutional reforms voted on 30 November 1954 would be the shortening of Governmental interregna, since Prime Ministers designate now ask for the confidence of the Assembly in their Governments at the same time as they ask for its confidence



in their personalities and policies, and since that confidence is granted by a simple majority of those voting, instead of by a mum of 314 votes. Yet at the end of a fortnight two inter Prime Ministers had failed to form a Government and a third failed to obtain the confidence of the Assembly. In fact, the culties were political and would have existed whatever the stitutional requirements. As M. Mendès-France realized, there is no coherent majority in the present Assembly. When the search for a new Government began, the Conservative M. Pinay failed to win the support of either the M.R.P. or the Gaullists. The Gaullists are now alarmed at the extent to which their resentment has been directed towards M. Mendès-France had driven them into the arms of the Right; some of the latter were afraid that a coalition headed by M. Pinay and supported by the M.R.P. would be too 'European'. M. Pflimlin (M.R.P.), who followed M. Pinay on 11 February, failed to persuade the Socialists to join his coalition or to allay the Gaullist fears of M.R.P. 'Europeanism'. He abandoned the attempt to form a Government in face of Radical fears that one-third Radical representation in the Government would split their party.

M. Pineau (Socialist) on 18 February managed to present a completed Government to the Assembly, which however refused 312 votes to 268 to accord him its confidence. M. Pinay and M. Pflimlin had both tried to form a coalition based on the Gaullists and the M.R.P.—that is, on the groups that had opposed Mendès-France. M. Pineau's coalition was based on those groups that had supported him (excluding the Gaullists).

After three failures, the task of the fourth candidate, M. J. Faure (Radical), could not be easy. Nor will the difficulties be with the formation of a Government. The 1955 Budget is still not voted; ratification of the Paris agreements is still not complete. It is not easy to forecast what the Assembly's reaction would be if the Senate were either to reject them or to introduce amendments, say, to delay application. This is both an electoral and a pre-electoral year. Cantonal elections are due in April, Senate elections (for a half of the Senators) a month or so later, and a General Election takes place next year. Finally, since M. Mendès-France was defeated by the 'constitutional majority', the Prime Minister, if defeated in similar circumstances, can dissolve the Parliament. Whether that fact will help to strengthen the new Prime Minister's hand is a question that more than one ex- or future Prime Minister may now be asking himself.

## *Malenkov's Resignation:*

### *The Abandonment of the New Course*

MALENKOV's resignation brought into the open a theoretical conflict concerning the validity of the 'new course' introduced in 1953 which now appears to have been latent in the very conception of departure from strict Marxist economic orthodoxy as interpreted by Stalin.<sup>1</sup>

The first important indication that the new course was on its way out was given in an article by D. Shepilov, the editor of *Pravda*, published in that paper on 24 January 1955—on the eve of the decisive session of the Central Committee of the Soviet Communist Party. Under the significant heading 'The General Line of the Party and Vulgarisers of Marxism' this article attacked 'the authors of the idea that the country entered a new stage of economic development in 1953, the essence of which allegedly lies in a fundamental change in the economic policy of the Party. It was argued that whereas previously the Party had concentrated on the development of *heavy*<sup>2</sup> industry, today the emphasis has been transferred to the development of *light*<sup>2</sup> industry. Attempts to present their inventions as demands of the basic economic laws of socialism, some economists propose either that heavy and light industry be developed at an equal rate . . . or that priority be attached to the development of light industry as compared with heavy industry. . . Such assertions are a crude distortion of Marxist-Leninist economic theory and of the Communist Party decisions regarding the country's industrialization. . . . Stalin pointed out repeatedly that faced by capitalist encirclement we cannot slow down the rate of expansion of heavy industry, which is the foundation of our economy. . . . The forces of imperialist reaction, which are hatching plans for a new world war, are armed to the teeth and are continuing to arm. Under these circumstances a determined struggle for peace and the strengthening of the might and defence potential of the U.S.S.R. is the Soviet people's foremost patriotic duty. A struggle for the purity of Marxism

<sup>1</sup> For example, Hungarian critics of the new course were dismissed 'pessimists' by *Szabad Nep* of 11 October 1954, in an article which opposed the views of people 'who really believe that Hungarian industry can only be advanced by investments in heavy industry and that no other way can be effective'. See also 'The "New Line" in Hungary', in *The World Today*, January 1955.

<sup>2</sup> *Pravda's* italics.

Leninist theory is most important for the successful solution of our tasks and any revision of the basic tenets of Marxist-Leninist economic science can be harmful to our practical work'.

This obviously inspired article provided guidance to the members of the Central Committee who on the following day heard and unanimously approved a sweeping condemnation of the consumer goods drive delivered by Khrushchev, the First Secretary of the Central Committee. In his address<sup>1</sup> Khrushchev said: 'Developing Lenin's teachings, Stalin emphasized that it would be suicidal to retard the rate of development of heavy industry as this would undermine the whole of our industry, including light industry. . . . This only correct line of the all-round development of heavy industry, laid down by the great Lenin, was steadily applied by the Party under the leadership of Stalin. This line is being steadily followed now and will be firmly followed in the future. In connection with the measures recently carried out to increase the output of consumer goods, some Comrades have allowed themselves to become confused on the question of the rate of development of heavy and light industries in our country. Relying on a wrong and vulgarized interpretation of the basic economic law of socialism, these woebegone theoreticians are trying to prove that at a certain stage of socialist construction the development of heavy industry ceases to be the primary task and that light industry can and must outstrip all other branches of industry. This is a profoundly erroneous argument, alien to the spirit of Marxism-Leninism. It is nothing less than a slander of the Party, a belching of Right-wing deviation, a belching of views hostile to Leninism which were at one time advocated by Rykov, Bukharin, and their like. . . . Only a highly developed heavy industry can supply agriculture with modern machinery on an ever-increasing scale. Only successes achieved by heavy industry can ensure the further development of light industries and of agriculture. . . . A struggle must be waged against those who believe that we can now be satisfied with the level achieved in the development of heavy industry and should concentrate our main attention on tasks connected with the expansion of the light and food industries. It must be understood that the propagation of such anti-Leninist views is particularly inadmissible in present-day conditions, when our Party is directing all the efforts of the Soviet people towards the solution of the great tasks of the building of Communism, at a time when the

<sup>1</sup> Published in *Pravda*, 3 February 1955.

imperialist States are engaged in frenzied preparations for war.'

The news that the Central Committee had met was not released to the Soviet public until two days before the hastily summoned session of the Supreme Soviet. In this light Mikoyan's surprising request 'to be released from his post' as Minister of Trade, published in the Soviet press on the day of the Central Committee's meeting, can well be explained by his fore-knowledge of events; he may well have wished to avoid further identification with administrative responsibility for a policy which was being abandoned.

Khrushchev's ominous reference to Rykov and Bukharin must have removed any doubts which may have existed in the minds of his audience, for no sane Soviet citizen would dream of being associated with the views attributed to these two executed 'enemies of the people'. It is worth recalling that in the 'twenties Bukharin proposed to offer encouragement to private farming and called for more consumer goods production. It was Stalin who claimed to have convinced the Party that this policy would lead to the overthrow of Communism by bourgeois elements, in particular the farmers. Though both Rykov and Bukharin recanted their 'rightist deviations', the former lost his post as Chairman of the Council of People's Commissars in 1930, and though appointed to the subordinate position of Minister of Posts he joined Bukharin in the dock during the great purge trial of March 1938.

It must be realized that the so-called new course adopted throughout the Soviet bloc after Stalin's death did not in fact mean an abandonment of the expansion of heavy industry in favour of an intensive consumer goods drive, but only attempted a re-adjustment of the 'disproportionate emphasis' placed on heavy industry in the past. An official Soviet publication defined the new policy in the following words: 'Heavy industry is the foundation of the country's economic independence. . . . The Soviet people deprived themselves of many things and the State economized on everything in order to invest bigger sums in the development of heavy industry. This task has now been successfully accomplished and the country can, in real earnest, undertake the development of those branches of the economy which satisfy the consumer demands of the people.'<sup>1</sup> When he launched the new course in the Supreme Soviet in August 1953, Malenkov himself said: 'Heavy

<sup>1</sup> *Soviet News* (Press Department, Soviet Embassy in London), 3 November 1953.

industry is the very foundation of our economy'. He claimed that the successes achieved in that sector now made the expansion of consumer industries possible and stated that it was considered 'essential to increase investment for the development of light industry and to draw the engineering and heavy industries on a wider scale into consumer goods production'. Indeed, soon afterwards there were reports in the Soviet press that engineering factories were turning over part of their plant to the manufacture of household goods and similar articles.

The greater importance attached to the production of consumer goods in 1953 and after and the considerable propaganda put out in favour of this new course appear to have been prompted by the desire to persuade the West that Stalin's successors were sincere in their protestations regarding 'peaceful co-existence' and anxious to produce butter rather than guns. This must have also pleased the people of the U.S.S.R. by encouraging them to believe that the long period of austerity was ending. In this way the post-Stalin regime, which in 1953 might still have been concerned about possible internal and external reactions to the death of Stalin, attempted to court a certain measure of popularity both at home and abroad.

From the economic point of view the chief motive for the new course was the backward state of Soviet agriculture. According to Khrushchev's report presented to the Central Committee of the Soviet Communist Party in September 1953, agricultural production did not satisfy 'the demands of the toilers', and he admitted that between 1940 and 1952 it had risen by only 10 per cent. Certain concessions by the State to the peasantry, consisting mainly of higher prices for agricultural produce and reductions in agricultural taxes, formed part of the new course. These purely pecuniary concessions were worthless unless the State could provide more consumer goods to give the peasants in exchange for their increased earnings. Failure to meet this increased demand probably destroyed much of the efficacy of the material incentives offered to the peasantry.

Although the new course has now been dropped, it brought definite advantages to Communism by giving it valuable breathing space which it needed to cope with the fluid situation caused by Stalin's death. On the international plane it made its priceless contribution by leading many people in the West to believe that Stalinist intransigence had been removed and that the prospects

of peaceful co-existence had been improved. The Communist initiative exerted towards the conclusion of the Korean and Indo-Chinese armistices, which on balance brought more benefits to the East than to the West, was considered by many to be definite proof of the peaceful intentions of the U.S.S.R. The resulting reappraisal of Soviet intentions by over-optimistic sections of Western opinion greatly contributed to the demise of the E.D.C. and to the long delay in West German rearmament. It cannot be denied that this represented an undoubted diplomatic victory for the Soviet bloc, and in this respect the new course has been of some use. However, the insistence of the West that talks with the U.S.S.R. can be held only after the ratification of the Paris agreements appears to have convinced the present Soviet leaders that, despite their initial successes in the diplomatic field, the U.S.A. and the U.K. are not prepared to abandon their intention of redressing the balance of power in Europe. The present international situation may well have been one of the contributory causes which led to the jettisoning of the new course.

By now it has become obvious that any notions which may have been entertained after Stalin's death concerning the ability of the Soviet masses to exert pressure on policy were groundless. The authors of the present policy are in a position to reimpose the heavy burden of industrial expansion on the people, knowing that in view of the international situation they enjoy the support of the military for any measures designed to increase the country's armed strength. In this connection it is significant that this year's Budget as presented to the Supreme Soviet by Zverev, the Finance Minister, on 3 February 1955 provides for a defence expenditure of 112,100 million roubles, an increase of 12 per cent compared with 1954.<sup>1</sup> In explaining this step Zverev said: 'No changes have taken place in the international situation that would justify a relaxation of our attention to questions connected with the strengthening of our defence potential. In these circumstances we are bound to continue to show due concern for the strengthening of the fighting power and constant preparedness of our armed forces.'<sup>2</sup>

<sup>1</sup> It should be borne in mind that there may be a considerable amount of defence expenditure concealed under the other headings of the Budget, and this may have been the case to an even greater extent in the past. The present announced increase may be designed to impress the Soviet people with the gravity of the situation as seen by the Government and with the need for more hard work.

<sup>2</sup> *Pravda*, 4 February 1955.

Despite certain successes in the production of consumer goods, which were spectacular only in exceeding the targets in the manufacture of luxury items such as refrigerators and television sets, the promised abundance has not materialized. According to the 1954 Plan Implementation Report issued by the Central Statistical Administration, much of the consumer goods production was 'still of an unsatisfactory quality'. This disappointing performance on the part of light industry prevented the Government from making good its pledges to the people and deprived it of the opportunity to provide a real incentive and thus arouse the interest of the peasants in earning more money. Agriculture continued to lag behind.

By March 1954 it had become obvious that drastic measures were again needed to put Soviet farming on its feet. It was then that Khrushchev told the Central Committee of the Soviet Communist Party that 'the existing level of grain production does not cover all the needs of the national economy'. He introduced a drive for the reclamation of 13 million hectares (32 million acres) of 'wasteland and virgin soil' in the Soviet East, and in so doing automatically raised the demands to be made on heavy industry for such items as agricultural machinery, bulldozers, building materials, fuel, electrical equipment, and power.

This completed the vicious circle in which the Soviet economy found itself. The production of consumer goods could not be raised unless a percentage of heavy industrial plant were transferred to light industry and agriculture fulfilled its increased task. At the same time, agriculture would not produce more without receiving more consumer goods in exchange for farm products, and the land reclamation programme could not proceed without large allocations of capital goods, the production of which appears to have over-extended the existing heavy industrial potential, already reduced by a moderate switch over to light industrial production. In addition, yet further demands will be made on heavy industry in view of this year's increased defence expenditure as announced in the Budget. It must also be realized that the U.S.S.R. has certain definite obligations concerning the supply of capital goods to China and, to a lesser degree, to some of the People's Democracies. While the latter are unlikely to insist on a strict adherence to trade agreements concluded with the U.S.S.R., there is little doubt that Chinese objections to possible delays or curtailments of deliveries could not be ignored in Moscow.

Under these circumstances the Soviet planners had no choice but to abandon the new course and to concentrate once again on the acceleration of heavy industrial expansion. This is illustrated by the following comparative totals of expenditure from budgetary appropriations and from the private funds of enterprises and economic organizations as given in two successive Budgets.

(in million roubles)

	1954 <sup>1</sup>	1955 <sup>2</sup>
On heavy industry	133,214	163,604
On light industry	36,570	27,935
On agriculture	74,405	65,191

The reduction in agricultural expenditure may be due to a decision to concentrate on the production of agricultural machines and to invest in industrial plant for that purpose before spending more money on farming itself.

Agriculture is indubitably the weakest part of the Soviet economy and despite various remedies tried since the 'twenties this fundamental problem still defies solution. In his speech to the Central Committee on 25 January 1955 Khrushchev paid particular attention to the shortcomings of fodder production and the resulting low standard of animal husbandry, 'the grain requirement of which had been hardly taken into account in the past'. The level of animal production has obviously proved insufficient,' he said, and 'despite the serious warnings issued by the Central Committee, the numbers of livestock and its productivity have declined in a number of Republics and regions'. Bureaucratic inefficiency must have played its part; the authorities in the Georgian S.S.R. and the Azerbaijan S.S.R., among others, had failed to devote proper care to livestock production, and the irresponsible attitude' of the heads of the U.S.S.R. Ministry of State Farms had endangered fodder supplies for the *sovkhozes*. Population figures given by Khrushchev showed why this state of affairs could not be allowed to continue: the annual rate of increase in the population of the U.S.S.R. was 3 million and urbanization was proceeding apace—during the last five years the population of the towns had grown by 17 million. 'We also need strong State reserves of grain which need to be increased every year. The country cannot do without them. This is clear to everyone and requires no explanation,' he said.

When it was decided to abandon the new course it was prob-

<sup>1</sup> As given in the Soviet Finance Law of 1954.

<sup>2</sup> As given in the Soviet Finance Law for 1955.



ably found useful to produce a scapegoat to explain why the lavish promises made in 1953 and 1954 had not been fulfilled. In view of the importance previously attached to the new course, this reversal of policy required the sacrifice of one of the leading representatives of Soviet power. As long as Stalin was alive the myth of his personal infallibility had sufficed to cover the frequent tactical changes of the Party line, but something else would have to serve the purpose now. Since the elimination of Beria only Khrushchev or Malenkov were available as scapegoats, since Molotov's preoccupation with foreign affairs and Bulganin's responsibility for defence made them ineligible. Regardless of the clash of personalities, the assessment of which must be left to speculation in view of the almost total absence of reliable evidence, it was most unlikely that under present circumstances the Party should have been implicated in an admission of comparative failure in the person of its First Secretary. Although Malenkov's letter of resignation speaks of his responsibility for the backward state of farming, it was in fact Khrushchev who had been prominently associated with agricultural policy. However, even assuming that Malenkov had wanted to force Khrushchev to admit his responsibility, the latter's post as First Secretary of the Central Committee, giving him control of the Party machinery, made his position extremely strong as long as the armed forces were not prepared to oppose him. There were no comparable reserves of power at Malenkov's disposal.

It is true that Malenkov's early identification with the consumer goods drive made him the obvious choice, but it is also correct to say that until last January Khrushchev had been equally enthusiastic about it. In an election speech delivered in Moscow about a year ago he said: 'Now that a powerful industry has been set up the Party and Government, without relaxing their attention from the further development of heavy industry, have the possibility of developing at an increased rate the light and food industries.' Within a day or two Malenkov told his constituents in the Lenin-gradsky district of Moscow substantially the same: 'Our country now possesses a powerful heavy industry which in future will increasingly develop as the basis ensuring the uninterrupted growth of the whole national economy. But today, profiting by the results of industrialization, the Party has set the task of ensuring in two or three years a sharp rise in the production of consumer goods.' It would therefore be an over-simplification to set up Malenkov as

protagonist of heavy industry. The fact that it was Malenkov who had to go, and that even in his letter of resignation he paid tribute to the Party's wisdom, again illustrates the true relationship between the Party and the Government in the U.S.S.R.

The end of the new course must be viewed with the greatest misgivings by the Soviet people, despite all the efforts of Soviet propaganda to make it appear that it had been welcomed throughout the country. Many years ago Maxim Gorky said that in the past the people of the U.S.S.R. walked about in poor boots because first of all the country needed good machines, and they wore ragged jackets because the country had to be clothed in concrete and steel first. It seems that little has changed.

The inevitable effect on the satellite countries of the recent policy changes in Moscow can best be gauged by the following statement contained in an article published in *Pravda* (5 January 1955): 'Under present conditions, when there exists a mighty camp of democracy and socialism, the planning of the national economy demands the co-ordination of the economic plans of the U.S.S.R. with those of the People's Democracies.' There is little doubt that the policy of rapid industrialization will be reintroduced throughout Eastern Europe.

J. F. A. W.

## *Indian Statesmanship and Communist Opportunism*

### THE EMERGENCE OF THE COLOMBO POWERS

IN the latter half of 1954 there was a lull in the seemingly endless warfare of Asia. It marked the beginning of a new and momentous diplomatic struggle, and Delhi was its focal point. It is a struggle fought in the modern manner with all the armament of press and radio. Amid the ceaseless barrage of speeches and broadcasts from all sides, it is often impossible to draw an exact map of the front line, or to detect when the antagonists have evacuated one position in this wordy battle and taken up another. Clearly one crisis will follow another. At the moment of writing the delicate balance of

forces in the Formosa Strait has put Mr Nehru in a position of power and responsibility greater than ever before, but, what the outcome of the Formosan crisis, there are certain 'features of the landscape' which are likely to remain unchanged for many years. Ever since the Japanese took Port Arthur from the Russians the sentiment expressed in the slogan 'Asia for the Asians' has been growing in strength. This slogan was heard again in April 1955 when the Premiers of five newly independent Asian States—Ceylon, India, Pakistan, Burma, and Indonesia—met in Colombo. At that time two Asian Communist States, China and North Vietnam, were, with typical opportunism, consolidating their military gains in Indo-China at the conference table in Geneva. At that critical hour it was the West, and not the Communist Powers, which took the initiative in consulting the Colombo Powers. The result was that India was charged with the supervision of the Indo-China armistice. At the same time the Colombo Powers were afraid to state in the course of the communiqué issued after the conference: 'The Premiers discussed Communism in its national and international aspects. They affirmed their faith in democracy and their determination to resist interference in the affairs of their countries by external Communist, anti-Communist, or other agencies.' The courage and independence of spirit of this declaration cannot be fully appreciated without some knowledge of the extent of the interference in their affairs which most of the Colombo Powers have suffered at the hands of the Communists since the end of the second World War.

#### THE RISE OF THE INDIAN COMMUNIST PARTY

The national and international aspects of Communism in the East, as the Colombo communiqué referred to, cannot in practice be separated. Many countries, under the influence of Western liberal ideas, have supposed such a separation to be possible, but in most of these States where local Communist parties have been tolerated there has been a constant risk of economic and political subversion. India has suffered in this way as well as Burma and Indonesia. The Indian Communist Party has been controlled from Moscow with little regard for the realities of Indian politics or the true interests of the Indian people. The outward inconsistencies of its policies are due to a lack of honest principles, and this has bred an almost unintelligible opportunism. The Party's secret objectives, however, appear to be the weakening of India's power and influence.

by fomenting internal troubles, and the undermining of her friendship with Britain and the U.S.A. Numerous means are employed to this end, but Communist propaganda—whether it comes from the press and radio of Moscow or Peking, or the obscurer mouth-pieces of the Indian Communist Party—is, with minor exceptions and differences of emphasis, of one piece and one mind. Like Wordsworth's cloud, 'it moveth all together, if it move at all'.

At the end of the second World War the Indian Communist Party sought to rehabilitate itself in the eyes of Indian nationalists, who had refused to support the war effort of the Allies. The Indian Communists had been obliged to side with the British and Americans from the date of the German attack on the U.S.S.R. After the war they renewed their support for the Independence Movement, which ended in the removal of British rule in mid-1947, but the Communists in India and abroad refused to admit that Indian independence had in fact been won. That autumn Stalin's favourite, Zhdanov, addressing the Cominform in Warsaw, and in the presence of representatives from many Asiatic Communist Parties, indicated that India was still a colony, though American power was advancing there at the expense of the British. The Indian Government was, it appeared, a puppet of the British and Americans. The same view was expressed as late as 1950 by Academician Zhukov, Director of the Japan Section of the Moscow Institute of Oriental Studies. In a broadcast based on an article which he had contributed to *Voprosy Ekonomiki*, he spoke of 'semi-colonies' like India where bourgeois leaders were betraying the interests of their countries. Bourgeois nationalism, Zhukov said, was the most powerful weapon of Anglo-American imperialism, and every form of reactionary bourgeois ideology—Gandhism, Zionism, Pan-Arabism, and so forth—should be 'pitilessly unmasked' if 'national liberation movements' were to be encouraged.

These words read strangely today, when tributes to the memory of Gandhi are paid from Moscow and Peking, and the Arab nationalists of North Africa are warmly supported, but in the three years 1947-50 India, Burma, and Indonesia suffered widespread violence and revolt from their local Communist Parties, aided and encouraged from abroad. This reached such a pitch in West Bengal that the Communist Party was banned, and in April 1948 Moscow radio was talking of 'the anti-democratic policy of Nehru, which is evoking the widest resentment'. In the same month Mr Nehru

himself told the Indian Parliament that no Government with its name could watch a section of the people conspiring to throw it by violence and do nothing about it. In February he declared that in the previous year the Indian Communists had adopted an attitude that could only be described as one of revolt against the Government, and that this had resulted in violence, indulgence in murder, and in arson and looting, as well as acts of sabotage. In September 1949 the Indian Ministry of Affairs stated that from September 1948, when the Communists entered Hyderabad, to July 1949 the Communists in that state alone had murdered in cold blood some four hundred persons.

Although the Indian Government survived this terror, it soon found that Communist pressure increased in various other parts of India. The All-India Peace Council went into action to collect signatures for the Stockholm peace appeal (which was, in effect, an appeal by the World Peace Council on behalf of the Soviet and Chinese Governments to represent the aggression in North Korea as part of 'the struggle for peace'). Six hundred thousand signatures were collected—a small proportion of the Indian electorate, in 1951 numbered 174,470,000, but the list contained a large number of non-Communist names. Sympathy for Communist China as an Asian country too often outweighed respect for the decision of the United Nations Security Council on Korea, and Mr Nehru himself supported, though not with armed force.

Other Communist-controlled organizations were also active in India, all of them opposed to the Congress party of Mr Nehru. The All India far more concerned with promoting anti-Western feelings than with the welfare of the classes they claimed to represent. The All-India Trade Union Council, formed in 1920, fell into the hands of the Communists in 1948, and called for 'a general strike of the kind Zhdanov had advocated in Warsaw. In 1951 it sent a delegation to the World Federation of Trade Unions in London, which was showing a particular interest in 'colonial' countries. In 1953 it instigated riots in Calcutta over the proposed increase in tram fares. Among the peasants the All-India Kisan Sabha, set up, affiliated to a department of the World Federation of Trade Unions, and this adopted the slogan 'Land for the Landless' at a conference in Vienna in October 1953. Its long-term programme is agricultural collectivization on the lines followed in China and Eastern Europe. Among Indian youth the Communist All India Students' Federation is by far the strongest organization. W

help of the virtually Communist-controlled International Union of Students and the World Federation of Democratic Youth it organized a South-East Asian Youth Conference in Calcutta in 1948. Among Indian women, Anne Mascarene, a member of the Indian Parliament elected with the help of Communist votes, has organized the Indian National Co-ordinating Committee of Women, which the Cominform journal praised in March 1954.

In the elections to the Indian House of the People, held between October 1951 and February 1952, the Indian Communist Party polled 5,892,000 votes, as compared with 11,009,000 votes for the Socialists and 47,839,000 votes for Mr Nehru's Congress Party. In the simultaneous elections to State Assemblies the Communists did significantly better—6,259,000 votes against 9,958,000 for the Socialists and 43,470,000 for the Congress Party. In South India the Communists did best of all. In Hyderabad, as the leaders of the People's Democratic Front, they won 42 seats in the Assembly; in Travancore-Cochin, as part of the United Front of Leftists, they won 32 seats; and in Madras, where the Congress Party majority, with 152 seats, was lowest, the Communists won 61 seats. This laid the foundation of their power in the new State of Andhra, which was created out of Madras Province in 1953.

The Government of India was well aware of the danger of setting up a new 'linguistic' State like Andhra, which comprises the Telugu-speaking areas of the former Province, is rather larger in size than England, Wales, and Northern Ireland, and has a coast-line of 600 miles. Unfortunately the Government's hand was forced by the death of a faithful follower of Gandhi, Potti Sriramulu, who undertook to fast to death if the State of Andhra were not formed. The Communists, who had made the case for Andhra and a number of other 'linguistic' states the main part of their own election programme, were able to claim much of the credit when the Indian Government eventually gave way and created Andhra. Now, this poor but potentially prosperous State may be the first in India to be controlled by the Communists. If it is, it will greatly strengthen the already powerful Communist parties in neighbouring South Indian States.

#### THE GROWTH OF SINO-INDIAN 'FRIENDSHIP'

While these developments at home must have caused Mr Nehru constant anxiety, he consistently maintained, both in his dealings with Moscow and Peking and in his foreign policy in general, a

statesmanlike blindness to the obvious foreign connections of Indian Communist Party. When the Korean war broke out declared his support for the Security Council, but at the same offered his good offices for the settlement of the dispute, and that Communist China ought to have a seat in the United Nations. He received from Stalin what he called 'a prompt and encouraging reply'. From this small beginning sprang the long stream of events which at last brought India the leading part in implementing terms of the armistices in Korea and Indo-China. At the same time Mr Nehru's view that Communist China should have a United Nations seat has been constantly repeated by most Indian newspapers, and voiced by many Indian politicians. When this happens Peking broadcasts usually call attention to the fact.

The wars in Korea and Indo-China were not the only consequences of the Communists' accession to power in China which concerned the Indian Government. Tibet, a remote and peaceful neighbour, with whom Communist 'co-existence' would have seemed comparatively easy, was invaded, and India found herself with a Communist State on two thousand miles of her northern border. The very considerable re-adjustment of Indian trade relations with Tibet which had then to be made took long to negotiate. At the end of the negotiations, which coincided with the end of the Indo-Chinese hostilities, Chou En-lai was invited to Delhi. It was on this occasion that the 'five principles of peaceful co-existence', which have since become a staple element in Communist propaganda all over the world, were enunciated. They may be summed up as follows: (1) mutual respect for each other's territory and sovereignty; (2) non-aggression; (3) no interference in each other's internal affairs; (4) equality and mutual benefit; and (5) peaceful co-existence. These principles are conveniently vague, and largely negative. Apparently they are not inconsistent in Communist eyes with the invasion of Tibet, the intervention in Korea and Indo-China, and the threat to overrun Formosa. At a banquet in his honour in Delhi on 26 June 1954 Chou En-lai said: 'The menace to the peace of Asia comes from outside, but Asia today is no longer the Asia of yesterday. The day when outside forces could decide at will the fate of Asia has gone for ever. We are confident that the hope of the peace-loving nations and the peoples of Asia will frustrate the schemes of the imperialist mongers. I hope that China and India will co-operate ever more closely in the noble aim of safeguarding peace in Asia.'

On the same occasion the organ of the Peking Government, the *People's Daily*, echoed Chou En-lai's views. After praising Krishna Menon's part in the Geneva armistice agreement, this paper said: "The defence of peace and security in Asia is a common concern of the Chinese and Indian peoples and the eager desire of all Asian peoples. This desire can be realized, and world peace promoted, if there is sincere unity between Asian countries. The Chinese people are glad to have such a great neighbour so devoted to peace as India.' *Pravda's* correspondent in Delhi commented: 'The meeting of Chou En-lai and Nehru set all Asian countries an example of how Asian problems can and must be solved.' Hostile propaganda, he added, was incapable of poisoning relations between India and China.

It is not only when prominent political leaders meet that Peking views on Sino-Indian friendship receive publicity. Its expected advantages are proclaimed on numerous occasions not ostensibly political. In December last a delegation of over sixty Chinese artists, musicians, and dancers toured the principal cities of India, and were received with the most generous official hospitality everywhere. Their arrival in Madras conveniently coincided with that of one thousand delegates to the All-India Peace Council's 'Congress for Peace and Asian Solidarity'. The Council's president, Kitchlew, attended a reception in honour of the Chinese, and publicly embraced their leader. (Kitchlew, unfortunately for the All-India Peace Council's pretence that it is a non-partisan body, was awarded a Stalin Peace Prize in 1952.) Later, as soon as the Formosan crisis blew up, the Council and all the other para-Communist organizations in India—the All-India T.U.C., the All-India Students' Federation, and the Asian Lawyers' conference, which was meeting in Calcutta—vociferously supported the Communist Chinese view of the dispute. A 'Quit Formosa Day' was organized. The India-China Friendship Association, at a meeting presided over by Mrs Uma Nehru, was addressed by Kitchlew, and passed a resolution urging that U.S. forces should be withdrawn from Formosa.

#### CO-EXISTENCE FROM THE INDIAN POINT OF VIEW

The Asian regionalism to which Moscow and Peking propaganda appeals naturally has great attractions for Indian politicians and journalists, trained as they were in the struggle for independence to be instinctively anti-Western in foreign affairs. Mr Nehru



himself, however, has taken a cool and analytical view of the unwonted friendliness of the Soviet and Chinese leaders. Speaking on 24 April 1954, at the time of the Geneva conference, when he submitted his six-point proposal for an Indo-China settlement, he said: 'We do not seek any special role in Asia, nor do we champion any narrow and sectional Asian regionalism. We only seek to keep for ourselves, and for the adherence of others, particularly our neighbours, a peace area, and a policy of non-alignment and non-commitment to world tensions and wars.' Last autumn, although much moved by the tremendous welcome he was given in Peking, Mr Nehru did not advance beyond the 'five principles' already agreed on months before. There was no startling new joint statement such as his hosts must have longed for. Mr Nehru appeared to regard the five principles as pointing the way to the future establishment of friendly relations, rather than as the basis of an alliance already achieved. He will clearly require proof that the Chinese Communists intend to practise what they preach.

Since his return from Peking, Mr Nehru has given convincing evidence that, for him at least, the five principles are certainly not merely regional in their scope, by including them in the statement he made jointly with Marshal Tito after their recent talks in Delhi. Another significant development in his policy following his visit to Peking can be seen in his statement that he believes Indian differences with Pakistan are capable of solution, and that he is willing to negotiate. This concerns Kashmir. He had broken off negotiations when Pakistan announced that she was to receive military aid from the U.S.A., a move which the Indian press condemned long and vigorously on the ground that Pakistan might use the American arms against India in the Kashmir dispute. (Incidentally this Indian press campaign was strongly supported by the press and radio of Moscow and Peking, because it offered an opportunity of fomenting anti-American feeling.) Pakistan held on her course, and went so far as to conclude an alliance with Turkey. So far from this worsening Indo-Pakistani relations, Mr Nehru has since welcomed in Delhi the military ally of Turkey, Marshal Tito, and the Governor-General of Pakistan.

Mr Nehru has also shown the strength of his position since his return from China by publicly attacking the Indian Communist Party, of whose foreign connections and sympathies he is well aware. Possibly he had the Andhra elections of February 1955 in view, but, addressing a huge meeting in Delhi on 28 November, he

described his impressions of China and affirmed his great respect for the Chinese leaders, but said he thought it silly to suggest, as the Indian Communists did, that India should have internal strife, as China had done, before rebuilding herself. The Communists in India, Mr Nehru declared, were carried away by posters and slogans. They lived in the past, and were still impressed by books on socialism written in Europe ninety years ago. He deprecated their belief that violence alone could bring about progress, and that in disturbances lay the only way to power. The Communists were always on the look-out for an opportunity to cause a strike. They refused to believe that India was free, but, when the Soviet Union began praising India's foreign policy, the Communists found themselves almost swept off their feet. Now they admitted that India's foreign policy was good, though, according to them, it was still influenced by Britain and the U.S.A. Those who thus weakened Indian national unity and solidarity in the present critical juncture were stabbing India in the back.

Whereas the Chinese Communists are presented by Indian fellow-travellers in a uniformly admirable light, some prominent Indians have criticized the Peking regime in no uncertain terms. Brajkishore Shastri, a leader of the Praja Socialist Party of India, who visited China in the spring of 1953 at the invitation of the All-China Federation of Trade Unions, said in an article reproduced in *Socialist International Information* (30 January 1954): 'In no circumstances can Chinese workers resort to strike action. Any demand for a reduction in working hours or an increase in wages is regarded as high treason in this workers' State. In India a worker cannot be forced to work more than an eight-hour day. Out of these hours he must have at least half an hour's recess. But in China a twelve-hour day is the rule, and there is of course no recess. . . The way I saw the Chinese labourers being driven to work (on the Yangtse River Valley Project) evoked in me a stronger emotion than a desire for emulation or pity. I was horrified. After all, a human being is not a beast. Even for reconstructing his country, he should not be used as a tool of convenience.'

The *Hindustan Times*, the organ of Mr Nehru's Congress Party, published a letter in November 1954 pointing out that the philosophy of Communism, which was the guiding light of the Chinese leaders, was a negation of Buddha's principles; under the impact of a vast brain-washing process going on in China, Buddhist elements in Chinese culture were fast vanishing. Since 1950

10 million copies of Stalin's works had been published in China, but nothing on Buddhism. How many Chinese leaders, the writer asked, coming to India for the ostensible purpose of cementing cultural ties, had cared to pay homage to the shrines of Buddha? In a few decades the younger generation in China would not know that the Lord Buddha had ever existed.

#### THE AFRICAN-ASIAN CONFERENCE

After the conference of the five Premiers of Burma, Ceylon, India, Indonesia, and Pakistan at Colombo in April 1954, Indonesia began to make preparations for calling a larger conference of African and Asian Powers. Eventually at the end of the year the five Premiers met again at Bogor in Indonesia and decided to invite twenty-five other countries to meet in Bandung in April 1955. Invitations were to be sent to Afghanistan, Cambodia, the Central African Federation, China, Egypt, Ethiopia, the Gold Coast, Persia, Iraq, Japan, Jordan, Laos, the Lebanon, Liberia, Libya, Nepal, the Philippines, Saudi Arabia, the Sudan, Syria, Thailand, Turkey, North Vietnam, South Vietnam, and the Yemen. The idea of this conference has been regarded with a certain amount of scepticism in the West, and this has increased in view of the fervent support which the conference has received from Peking and from left-wing organizations in Indonesia, India, and North Africa. What, it is asked, can explain the Communist assertion that the conference will tend to 'lessen tensions'? The list of countries to be invited to Bandung is almost a roll-call of present areas of tension. There is a serious possibility that in April still greater disagreements, disappointments, and misunderstandings may arise. For example, three of the prospective guests are signatories of the Manila Treaty, which sought to organize collective defence in South-East Asia, a treaty strongly denounced by the Communist countries which have been invited. Moreover, Indonesia's claim to Dutch New Guinea, sponsored by India and Pakistan in the last Assembly of the United Nations, is opposed by Australia, a Manila Treaty Power, whose relations with Indonesia have so far been very friendly. France, also a Manila Treaty Power, will be embarrassed by Pakistan's support of the Arab nationalists. In short, it is only too obvious that the Bandung conference has been welcomed in Peking and Moscow for purely opportunist reasons—it ranks high on the list of potential sources of provocation of anti-American feeling.

Although all the representatives of the Colombo Powers have stressed that the conference is intended to be exploratory and informative, Communist propaganda pretends that the decision to hold it resulted from a widespread longing in the invited countries for a new departure. 'The peoples of Asia and Africa,' said *Izvestia* (30 December 1954), 'are deeply disturbed by the aggressive policy of the ruling circles of the U.S.A. . . . the Bogor decisions are a clear proof of the growing solidarity of the countries of Asia and Africa'. Earlier a Moscow observer said over the radio that Asian solidarity was very displeasing to the U.S.A., who felt it to be a serious blow to their Manila Treaty plans, and in September *Pravda* quoted Mr Nehru's criticism of the Manila Treaty and said that it was 'absolutely correct'.

#### THE BATTLE OF IDEAS

When Mr Nehru describes his home policy as being 'socialistic' rather than socialist, the result may be confusing—just as 'non-alignment' is—from a linguistic point of view, but there is no lack of clearness about his ideas. The internal condition of India—military weakness, combined with dire peasant poverty—obliges Mr Nehru to be eclectic. He would be more than human, for instance, if he refrained from calling his new industrial projects a 'Five-Year Plan', and he would be no statesman if he did not strive for a middle way between the Communist bloc and the free world, because an active Indian Communist Party stands ready to make the most of every passing failure at home or abroad. It would indeed be easy to conclude that the enormous amount of time, money, and energy which the Communists expend on this vast battle of ideas is bound in the end to win over India and the lesser Colombo Powers; that Mr Nehru will not be able to maintain his detached position much longer, and that a younger generation will arise for whom the achievements and prestige of Moscow and Peking will have an irresistible attraction. There are, however, three elements in the Indian situation which point to an opposite conclusion—the possibility of a rapid technological advance, the growth of internationalism, and a remarkable religious renaissance. No more than a hint can be given here at the amazing achievements in land reform for which Vinayak Bhawe is responsible. It has in the past been customary to sneer at the conservatism with which religion has imbued Indian agriculture. It is now possible that religion itself may bring about changes more profound and far-

reaching than the crude confiscation and collectivization of munism. Bhoodan, or voluntary land-giving, is already force in India.

The elimination of poverty is a religious and technical than a political problem, State action being agreed on by all. In technology moreover the free world is advancing far rapidly than the Communist bloc. A second and more stup industrial revolution has already begun in the U.S.A. and V Europe, and the Special Agencies of the United Nation political vehicle by which its benefits may be passed on under-developed countries of the East without offence to suspicious of a new imperialism. The Food and Agri Organization, for example, by introducing the Japanese me growing rice into India has brought about such an enorm crease in crops that the fear of rice shortage bids fair to b pletely banished. The Colombo Plan—by which the U.S. the Commonwealth countries co-operate technically and t ally to help the peoples of South-East Asia to help thems will also act as a solvent on old hatreds and old fears.

Yet another form of co-operation may result from the m of the Premiers of Ceylon, Burma, India, Indonesia, and P Before last year they had experienced no parallel exchange hand of information, facts, and news about their various tries. The mere act of travelling and seeing for themselves v doubtedly have a profound effect on men of such intelliger sensibility. New prospects have opened for them all, and b ing they have gained a new prestige in the eyes of their c men. In the nineteenth century it was the custom to judge independent nations by their prowess on the field of battle twentieth century it is surely a great gain to find five nations even in the first flush of their youth, not only have no great r ambitions, but are actually co-operating for peaceful ends may be slow to agree with the West about the military da Communism. Their hatred of imperialism is too recent an fear of poverty too imminent for them to consider seriou danger of military conquest. They seek a world rather d from the Communist utopia, which is a unity without di With Mr Nehru at their head, the Colombo Powers seek : where men may cultivate their ancestral fields in peace an perity, and freely worship their ancestral gods.

## Economic Implications of German Rearmament

THE signature of the London and Paris agreements<sup>1</sup> has caused much speculation in the Federal Republic concerning the effect of rearmament on the German economy. Not unnaturally, the Germans are anxious that rearmament should not impair their rising living standard or prejudice their chances further to expand export markets. There is also a widespread desire that rearmament should not lead to anything resembling the regimentation experienced under the Nazi regime and that State interference in the economy should be kept to the absolute minimum. Professor Erhard, the Federal Minister of Economics, has repeatedly expressed the firm conviction that these objectives are reconcilable with any defence effort which may be expected of the Federal Republic, and that German productive capacity is capable of expanding sufficiently to provide for defence without fear of inflation or injury to the country's standard of living, her trading position, or her balance of payments. Professor Erhard expressed serious concern on one score only, the need to guard against a labour shortage.

However, there are many Germans who do not share the Economic Minister's extreme optimism. The interpretation of Professor Erhard's emphatic statements must indeed be qualified by the consideration that they were made with an eye to counter-ing 'exaggerated forebodings' and to forestalling the possibility of a panic psychology taking hold on the domestic market. This may partly explain the change of tone noticeable when comparing his much publicized article in the *Frankfurter Allgemeine Zeitung* of 25 October 1954 with his statements early in January 1955.<sup>2</sup> In the latter Professor Erhard declared that a German defence contribution in 1955 of DM.9,000 million, or 6 per cent of the national income, would be the minimum which might be reasonably expected of the country.<sup>3</sup> He added that an extra DM.2-3,000 million might be demanded of the Germans should a changed world situation prompt all Western Powers to increase their present defence effort, but that such an increase would hardly

<sup>1</sup> Cmd. 9289 and 9304.

<sup>2</sup> *Süddeutsche Zeitung* and *Frankfurter Allgemeine Zeitung*, 8 January 1955.

<sup>3</sup> In 1953 the proportion in Great Britain was 11 per cent, in France 12 per cent, in the Netherlands 8 per cent, in Belgium 7 per cent, and in Italy 6 per cent (*New York Herald Tribune*, 10 April 1954).

cause a serious disruption of the German economy. Herr S, the Federal Minister of Finance, has always insisted that a outlay of DM.9,000 million is all that can at present be a. Generally speaking, the economic achievements of rece have produced a mood of confidence in Germany. While r ing the special problems raised by rearmament, few do country's ability to overcome them. Nevertheless, it is clear how fast and in what way rearmament will proceed, chief worry of Germans seems to be that it may cost far m the Federal Government is so far prepared to acknowledge

The present mood of optimism and confidence is well f Post-war recovery and economic expansion, first touche the currency reform in 1948, started later in Germany other European countries and from a very much lower lev rate of progress has nevertheless been such that Western G is now rapidly catching up with the advance over the pre- of other industrial countries in Western Europe. It is t agricultural production increased slowly—in 1954 it was or 10 per cent above the average for the years 1933–8; but in production was by mid-1954<sup>1</sup> 36 per cent higher than that and during the same period the volume of exports had ir by 67 per cent, the same proportion as in Great Britain. *capita* industrial production as well as *per capita* exports ha less than in other countries—a result of the sharp popula crease after the war. By September 1954 the total popul Western Germany reached 49,652,000, compared with 39, in May 1939. The influx of nearly 10.9 million expell refugees since the second World War caused difficult pr but it has also increased productive capacity.<sup>2</sup> More 1 million additional workers are at present employed in Germany compared with the pre-war figure, and their ab into the economy has been described as 'the most ren economic achievement of the Federal Republic.'<sup>3</sup>

Other characteristics of Germany's economic recovery ha a high rate of investment, a notable stability in prices, larg surpluses, and the growing strength of the country's curri the absence of a functioning capital market, economic rec tion was financed largely by the re-investment of pro

<sup>1</sup> Annual rate based on first six months.

<sup>2</sup> See below, p. 128.

<sup>3</sup> O.E.E.C., *Economic Conditions in the Federal Republic of German* December 1954, p. 17.

depreciation and by public investment. Gross capital expenditure from the currency reform to the end of 1952 amounted to no less than DM.90,400 million (about 20 per cent of the gross national product) of which over 64 per cent was provided by 'self-financing' and over 17 per cent by the Government, the remainder by savings and E.R.P. payments. Investment has continued at a considerably higher rate than in Great Britain and in 1954 gross fixed capital formation was estimated to have reached DM.31,000 million, or at least 21 per cent of the gross national product. The relative stability of prices is illustrated by the consumer price indices published in the O.E.E.C. Statistical Bulletins: compared with 1950 (the base year) consumer prices in Germany were only 8 per cent higher in 1953, as against a 29 per cent increase in France, 23 per cent in Great Britain, 17 per cent in Italy, and 10 per cent in Belgium. In 1954 the cost of living rose somewhat but the general level of prices remained slightly below that of 1953.

The trading position of Western Germany has been rapidly improving since 1949. From 1950 to 1953 the value of total visible exports had increased by about 120 per cent; that of imports by only 40 per cent. A surplus of exports has been recorded continuously since 1952. The export surplus accrues chiefly in the trade with Western European countries, which take over half of Germany's exports. Consequently the country has for the past two years been an extreme creditor nation in the European Payments Union despite a 92 per cent liberalization of trade. Germany's trade balance with the dollar area has remained adverse, but the trade deficit has fallen sharply since the end of 1951, the payments balance on current account is now favourable, and it proved possible in February and again in November 1954 to liberalize dollar imports. Exchange restrictions in Western Germany have by now been largely removed and a start has been made in debt repayments. In spite of this the gold and foreign exchange holdings of the Bank deutscher Länder continued to grow and reached the record figure of DM.10,613 million (\$2,527 million) at the end of November 1954, that is, about  $5\frac{1}{2}$  times the value of Germany's total imports in that month.<sup>1</sup> The large payments surplus accumulated by Germany has not had any appreciable inflationary effect, partly because taxation absorbed much of the surplus, but also because Budget surpluses reflected unspent occupation costs.<sup>2</sup>

<sup>1</sup> *Monthly Report of the Bank deutscher Länder*, December 1954.

<sup>2</sup> See below, p. 122.



The standard of living of the working population has certainly been rising but, although exact comparison is impossible, is generally agreed that living standards are still considerably below those enjoyed in Great Britain. According to official German statistics the real value of hourly earnings was by August 1954 23 per cent higher than in 1938. Moreover, longer hours worked in many industries and employment had greatly expanded. The disposable income of the wage and salary earners together with that of recipients of pensions and social benefits ('income of the masses') increased from DM.45,340 million in 1952 to DM.67,360 million in 1953.<sup>1</sup> Even so, private consumption represents only about 57 per cent of the gross national product. The living conditions of the least favoured income groups such as war victims, unemployed refugees, and pensioners are in urgent need of improvement, and some relevant legislation is being introduced or promised by the Government.

#### THE GERMAN DEFENCE CONTRIBUTION

There are good prospects for growing prosperity in Germany but in what way they will be affected by rearmament must remain doubtful as long as important features of the proposed remilitarisation are still unknown. A few factors are already established, provided that the Paris agreements are ratified. Under the agreements Germany is expected to raise and maintain twelve divisions, including a tactical air force of about 1,350 aircraft, and a small naval force comprising light coastal defence and escort vessels.<sup>2</sup> Further details as laid down in a special agreement annexed to the European Treaty and adopted under the Paris agreements have never been published. It is, however, understood that the total number of men required for the German forces will be 500,000, of whom 400,000 will be in the army, 80,000 in the air force, and 20,000 in the navy. It is also being assumed that the German divisions will be highly mechanized, that the forces will be based on eight months' conscription, and that the regulars will number only about 150,000 men.

Some vital questions, however, are still undecided: how quickly the German forces will have to be raised, how much of their equipment is to be produced by the Germans themselves, the for

<sup>1</sup> *Monthly Report of the Bank deutscher Länder*, November 1954, pp. 31-3.

<sup>2</sup> Documents agreed on by the Conference of Ministers held in Paris 20-23 October 1954. Cmd. 9304, p. 37, footnote (5).

Western European Union co-operation in arms production, and so much of the cost of imported armaments is likely to be borne by the United States. Under the London and Paris agreements Germany has agreed not to produce atomic, chemical, and biological weapons, and (for the time being at least) long-range missiles, guided missiles, influence mines, warships,<sup>1</sup> and strategic bomber aircraft.

Figures varying from DM.40,000 million to DM.100,000 million have been quoted as the cost of building up the new German fighting forces. Some at least of the highest estimates include the cost of a home guard (DM.30,000 million) and of civil defence (DM.10,000 million). Herr Blank's 'shadow defence ministry' was reported<sup>2</sup> to have estimated the cost of equipping the German army at a minimum of DM.65,000 million spread over three years. Another estimate published in the German press about the same time caused speculation as to its source (believed to be the United States Headquarters in Heidelberg). It stated that German rearmament would cost a total of DM.81,300 million during the first three years, of which Germans would be expected to raise some DM.48,000 million (i.e. the equivalent of DM.15,900 million annually).<sup>3</sup> Herr Blank and other German Government spokesmen have said that they regard any estimate which looks beyond the year 1955-6 as unrealistic and that the total defence budget for that financial year (DM.9,266 million) would not be exceeded.

This attitude is no doubt largely prompted by the desire to avoid speculation at a time when insufficient data are available for making an accurate forecast. Much will depend on the amount of United States aid and whether the direct shipments of arms and American-financed off-shore procurements from Great Britain and other N.A.T.O. countries take the form of credits or outright grants. Similarly, agreement is yet to be reached with the N.A.T.O. powers on Germany's capacity to contribute to defence, an issue which had defied final solution at the time when the E.D.C. treaty was being negotiated. In 1952 and again in 1953 and 1954 interim solutions were adopted<sup>4</sup> laying down monthly German contribu-

<sup>1</sup> '... with the exception of smaller ships for defence purposes' (*ibid.*).

<sup>2</sup> *The Observer*, 12 December 1954.

<sup>3</sup> *Neue Zürcher Zeitung*, 19 December 1954.

<sup>4</sup> The Bonn Finance Convention of 26 May 1952 (Cmd. 8571) fixed an average monthly net contribution totalling DM.850 million if E.D.C. came into force by mid-1953; two subsequent financial agreements between the occupying

tions in the event of E.D.C. coming into force, but no final commitment was made for the future annual German defence outlay. It seems worth recalling that the monthly net contribution of DM.950 million which would have been paid by Germany to the E.D.C. come into force before 1 January 1955 would have been equivalent to an annual rate of DM.11,400 million, a smaller amount than had been assessed by N.A.T.O. two years ago and being within German means.

There is thus some justification for the prevalent feeling of uncertainty about the extent of German financial defence commitments once rearmament gets seriously under way. For the time being, the German defence budget for 1955-6, under which DM.9,000 million has been allotted for direct defence expenditure, is intended to meet occupation costs at the monthly rate of DM.600 million until the entry into force of the arrangements for the defence contribution of Germany as member of the Western European Union and N.A.T.O.; during the following two months a total of DM.3,200 million (at a sliding scale) is earmarked as the agreed contribution for the maintenance of foreign troops stationed in Germany; the residue (about DM.6,000 million) would be available to meet the initial costs of building up Germany's own forces. These provisions will apply only if the Franco-German agreements are ratified and if the arrangements for a German defence contribution come into force by 30 June 1955.

In 1954 the German gross national product increased by about DM.11-12,000 million, or 8 per cent as compared with 1953, reaching a total of some DM 145,000 million. Assuming that the economy continues to expand at a reasonable rate, the 1955 defence budget of DM.9,000 million should not create any problems, particularly since Germany has for several years past been raising annually about two-thirds of this sum for occupation costs. Since April 1952 the agreed German contribution to the maintenance of the occupying troops amounted to DM.600 million monthly but the rate of spending has in fact been slower and a back-log of unused funds is at the disposal of the occupying Powers which at the end of September 1954 amounted to DM.3,340 million. This item has swollen the German Treasury's cash reserves, which have been accumulating despite budgeted deficits. But there are other reasons for the unexpected Budget surpluses. Fed-

---

Powers and the Federal Republic (in April 1953 and July 1954) fixed the contribution at DM.950 million covering the period to 1 January 1955.

budget estimates have already, during the past three years, been providing for defence expenditure of over DM 9,000 million in the E.D.C. were to come into force; tax revenue has tended to exceed estimates thanks to the high level of economic activity. Herr Schäffer, the Finance Minister, granted some tax concessions in the spring of 1953, followed by a more far-reaching tax reform effective from 1 January 1955, under which income tax rates were cut on the average by 12 per cent and corporation tax reliefs were granted. Even so, 'ordinary' revenue in 1955-6 is expected to exceed estimates for the current year, and any short-fall that may arise from rearmament is provided for by the planned issue of a government loan amounting to some DM 1,500 million.

#### INFLATIONARY BOOM OR SUSTAINED ECONOMIC EXPANSION?

Provided inflation can be avoided, the burden of rearmament may turn into a boon by helping to sustain economic expansion and widening the economic base of the country. Government spokesmen have insisted that deficit financing of rearmament will not cause inflation, but they are apprehensive about the inflationary effect of speculation and the industrialists' exaggerated expectations of an armaments boom. The latter are themselves showing concern about the cost of rearmament in terms of manpower and productive capacity which could, indeed, start off an inflationary spiral.

It so happens that the anticipation of rearmament has coincided with an upswing in economic activity which began in the summer of 1954. As a result labour became scarce in certain skilled trades, delivery dates lengthened, and prices rose for some producer goods such as timber. These symptoms, however, were often only regional and were confined to certain industries. In fact the economic expansion in 1954 occurred mainly in building and capital and producer goods; the output of consumer goods,<sup>1</sup> on the other hand, increased only slightly, with the exception of durable consumer goods (such as refrigerators, furniture, and motor cars).<sup>2</sup> Growing export markets have contributed to the partial boom conditions, but there were also temporary factors such as the announced expiry of the Investment Assistance Law; the anticipation of rearmament too was beginning to influence the market.

<sup>1</sup> According to the index classification of the Federal Statistical Office under which durable consumer goods are often included with capital goods.

<sup>2</sup> During the twelve months ending in November 1954 total industrial production increased by 12.5 per cent, but the index for the output of consumer

Despite the recent localized shortages and the need to complete industrial rehabilitation, unused productive capacity still exists particularly in the consumer goods industries, but also, for instance in the steel industry: crude steel production rose during 1954 13 per cent, to 17.4 million metric tons, but the annual rate of production in the fourth quarter of the year reached 19.2 million tons. Yet there seems to be little eagerness among German industrialists to switch to armaments production. Anxious not to disrupt the present export drive, many would apparently prefer armaments should, as far as possible, be imported. Increased imports are indeed not only possible but desirable, since Germany's chronic export surplus has meant that she became an involuntary creditor country. Since September 1954 imports have increased faster than exports, but the country's capacity to pay for a great volume of imports is still considerable, provided world prices for imported commodities remain fairly stable.<sup>1</sup>

Although productive capacity has already been greatly expanded and unused reserves exist in some sectors of industry, the need for large-scale investment persists. Capital is needed, particularly for the completion of the housing programme, the improvement of transport facilities, and the rationalization and mechanization of production processes. Moreover the disposable income of consumers is rising, both through wage increases and recent tax concessions, and this may lead to excessive pressure on the demand for consumer goods. But so far the signs have been encouraging. Voluntary saving is rising and the capital market has shown signs of recovery.

#### MANPOWER RESOURCES

The most serious problem expected to arise from rearmament is a shortage of manpower rather than a lack of productive capacity. During the second half of 1954 unemployment sank to the lowest level for many years, a fifty-hour week was worked by men, and short-time working was largely confined to the textile and clothing industries. Shortages were reported of miners, electricians, engineers, technicians, and of skilled workers in some industries including iron and steel, and building. The diversion of 500,000 young men into the armed forces, it is argued, will constitute a serious strain, all the more since the troops will need training

<sup>1</sup> In 1954 the value of both imports and exports was about one-fifth larger than in 1953 and the volume of foreign trade was about one-fifth larger.

technicians and an unknown number of civilian workers will be required for the production of military supplies and construction works. Professor Erhard, believing in future rapid economic expansion and calculating that an increase in the national product of 1 per cent requires 100,000 extra workers, has entered into negotiations with the Italian Government to explore possibilities of relieving the labour shortage he anticipates. It is argued that the 'import' of Italian labour would release German workers training in skilled trades and that it would incidentally relieve Italy's chronic payments deficit with Western Germany. Strong opposition to the employment of foreign labour has, however, come not only from the S.P.D. and the trade unions (who fear that it will affect wages), but also from other quarters including Dr Adenauer's own Coalition. Professor Erhard himself concedes that German labour reserves will have to be absorbed first and that the need is not likely to arise for a year or two. Meanwhile the offer of Italian agricultural workers for seasonal employment in 1955 was turned down by the German Government in December 1954, but in January a German-Italian commission was set up to study the conditions and possibilities for the future.

It may at first seem incongruous that the prospective demands of rearmament on Germany's labour force should arouse anxiety when the average monthly figure of registered unemployed in 1954 had exceeded 1.2 million (as compared with some 318,000 in the United Kingdom). An important reason for this high average is the fact that Germany has particularly large seasonal variations in employment. Thus the peak of unemployment in 1954 was reached in February with just over 2 million out of work and the lowest employment figure was recorded at the end of October with 1,900, while by the end of December unemployment had once more risen to about 1,287,000, i.e. 237,000 below the December figure in 1953. The seasonal fluctuations in employment in the building industry have been having a particularly pronounced effect on the labour market because of the post-war building boom. The seasonal rise in unemployment in the late autumn was, for instance, delayed this year because a special effort was being made to complete building projects before the onset of winter weather. It is precisely in building that shortages of skilled labour have been perhaps most persistently apparent, and it is on the building industry that rearmament will initially make the greatest demands. Its decisive remarkable past achievements, the housing short-

age has not yet been overcome. The industry itself appears confident that it can deal with military orders without sacrificing civilian building provided all-the-year-round building is adopted but this would increase costs by about 5 per cent.<sup>1</sup>

At the end of October, the seasonal low point for 1954, there were still five times as many registered unemployed as vacancies, but a large proportion of the unemployment is structural. Of the 820,900 unemployed, 454,700 were men, but these no less than 327,650 were living in Schleswig-Holstein, Lower Saxony, and Bavaria, the three Länder bordering Eastern Germany where economic ties with the neighbouring territory have been disrupted, while many expellees and refugees settled there for lack of accommodation in the vicinity of industrial centres. Similarly a labour reserve exists in Western Berlin, where nearly 170,000 (70,700 men) were out of work in October; they are in addition to the total for the Federal Republic. At the same time there is a disproportionate number of unemployed in some occupations, such as clerical, administrative, and transport work. The solution for structural unemployment, which for the Federal Republic is estimated to total about 450,000,<sup>2</sup> lies in the provision of accommodation in industrial areas,<sup>3</sup> or of training facilities alternatively in the establishment of suitable factories in these areas which suffer from structural unemployment. The latter course is proving difficult in the absence of Government planning but under a Government scheme no less than 915,000 expellees will have been moved from the frontier areas to the industrial centres between 1949 and the end of 1955.

Next, allowance must be made for those people included in German statistics of registered unemployed who are merely in the process of changing jobs; they are estimated to average about 150,000 men and women.<sup>4</sup> The majority of the remainder (about 200,000 in October 1954) are often described as not fully employable for reasons of age or physical debility or—it is sometimes suggested—because of unwillingness to take up any regular work. In this respect, no recent statistical evidence seems to exist beyond the fact that in August 1954 roughly half of the registered un-

<sup>1</sup> *Frankfurter Allgemeine Zeitung*, 28 October 1954.

<sup>2</sup> 'Westdeutsche Arbeitsmarktp Probleme', by Theda Bolle, in *Vierteljahrshefte zur Wirtschaftsforschung*, Jg. 1954, Viertes Heft.

<sup>3</sup> The problem of accommodation would, of course, equally apply to the immigrant labour.

oyed men (totalling 508,860) were over forty-five years of age. Readiness to employ the higher age groups would therefore seem to offer some scope both in reducing permanent unemployment and relieving labour shortages. Thus in some respects the available labour reserve is over-estimated by German official statistics, but in others they tend to underestimate. There is some hidden unemployment, as well as the reserve of women workers which can be drawn upon as suitable employment offers; in 1954 labour exchanges had already begun to report their increasing appearance in the labour market.

Anxiety in Western Germany at the prospect of a labour shortage is also bound up with the forecasts of the future total size of the population of working age. The total population has increased in our years by some 2 million from 47,696,000 in September 1950 to 49,652,000 in September 1954, and the number of persons fully employed has risen considerably faster than the rate at which unemployment was reduced. Between 1950 and 1954 employment increased by over 2½ million (employment in industry alone by over 1½ million) while unemployment decreased by less than 400,000. The extent of any future immigration of refugees from Eastern Germany cannot, of course, be foreseen, and future emigration overseas is another unknown factor. The birth-rate is hardly relevant for a short-term forecast. The age structure of the population<sup>1</sup> shows great gaps for certain age groups caused by the two world wars (those between the ages of thirty-five to forty-three, twenty to twenty-five, six to twelve), while other groups are particularly strongly represented because of an exceptionally high birthrate during the Nazi era and also immediately after the first World War (those between the ages of twelve to twenty and to a lesser extent between thirty to thirty-five). Thus there has been an exceptionally marked rise in the population of working age between 1952 and 1954 thanks to the increase in school-leavers, whose numbers rose from 849,000 in 1952 to 1,000,000 in 1954, 471,000 of them boys. However, from 1955 onwards the number of young people leaving school will decline, reaching a low point of 580,000 in 1960 when the trend is likely to reverse. It has been argued that a decline in the number of youths entering industry will begin to be felt in 1957, the very year when decisive increases in manpower demands are expected from rearmament. This should be partly offset by the present

<sup>1</sup> See *Wirtschaft und Statistik* October 1954



expansion of training facilities, but the Federal Minister of Labour has pointed out<sup>1</sup> that only about two-thirds of the young people leaving school found apprenticeships in 1953 and 1954, while in earlier years the proportion was only about one half.

It is not always realized that the age structure of the West German population has been favourably affected by the post-war influx of refugees and expellees.<sup>2</sup> In September 1954 no less than 8,533,000 expellees and 2,332,000 refugees were living in the Federal Republic. Of the expellees, only some 209,000 were employed (127,000 men), although this figure still represented 10 per cent of total German unemployment. Among the expellees, men up to the age of forty-five and women up to the age of thirty-five are in fact relatively more numerous than among the German population as a whole, while people above the age of sixty are less strongly represented.<sup>3</sup> Among the million odd people who between 1950 and 1953 made up the population increase due to migration (immigrants minus emigrants), there was a particularly high proportion of those between the ages of fifteen and forty-five, many of them skilled workers. The distribution between the sexes among the immigrants from the Soviet Zone is also becoming more favourable since 1950, although women still accounted for 55 per cent in 1953.<sup>4</sup>

To sum up, the proportion of unemployed among all workers and salary earners has fallen from a peak of 10·2 per cent (an average) in 1950, to 7·5 per cent in 1953, and during the height of the season in September 1954 it was down to 4·7 per cent, varying, however, from 9·9 per cent in Schleswig-Holstein to 2·2 per cent in Baden-Württemberg. In comparison, Great Britain has almost uninterrupted full employment conditions for some years, and unemployment in 1954 did not exceed 1-1½ per cent. Special circumstances make it particularly difficult to give the exact size of Germany's labour reserve. But the military call-up will be gradual, and the labour supply for industry, although not as plentiful as before, is by no means exhausted. Yet special problems

<sup>1</sup> *Frankfurter Allgemeine Zeitung*, 20 December 1954.

<sup>2</sup> Expellees are those who were domiciled on 1 September 1939 in the east of the Oder-Neisse line, or abroad, refugees were domiciled in Berlin, Saar, or the Soviet Zone. Among the newcomers there are both refugees and expellees who found temporary refuge in Eastern Germany.

<sup>3</sup> For instance, among expellees 71·6 per cent of all boys and men were under the age of forty-five on 31 December 1953, as compared with 66·6 per cent in the German population as a whole.

<sup>4</sup> *Wirtschaft und Statistik*, September 1954.

re costs are involved in drawing on those who are out of work cause of seasonal and structural unemployment, and German industry is faced by new problems. One of the effects of the tighter our market is the growing bargaining power of the workers. The German Federation of Trade Unions is now canvassing the introduction of the forty-hour week. (In the third quarter of 1954 hours usually worked averaged forty-six for women and fifty for men.) Any shortening of working hours would further increase the primary need on which continued economic expansion in Germany must ultimately depend: an increase in productivity. As was pointed out in the recent O.E.E.C. report on Germany,<sup>1</sup> productivity per working hour has increased less since the pre-war years than in Great Britain or Sweden; in some branches of industry, such as coalmining, timber, leather, and shoe production, it is still below the 1936 level. Future expansion in output will depend far more on increased productivity than hitherto, whether rearmament is undertaken or not, and this means rationalization and therefore a continued high rate of investment. In fact, rationalization is already progressing apace in industry as well as retail trade and offices. After a period of rapid expansion Western Germany is now approaching economic conditions more comparable with those existing in this country. The attainment of full employment could be hastened by rearmament and this would intensify the need for readjustment and consolidation. But even if the Paris agreements were to be ratified shortly, the real test for the German 'free market economy' should hardly arise before 1956.

M. G.

## *Costa Rica and the Invasion*

### *Difficulties of a Central American Democracy*

One outstanding feature of the recent invasion of Costa Rica from Nicaraguan territory was the swift initial success of the Organization of American States in settling the dispute. Although this efficiency on the part of an international organization would seem

<sup>1</sup>O.E.E.C., *Economic Conditions in the Federal Republic of Germany*. Paris, 1954.

to offer grounds for optimism, it must be remembered that it is the United States action in providing Costa Rica with planes to counter her attackers that in fact decided the outcome. Following the Guatemalan affair, the incident has served to underline the decisive role of the U.S.A. in an area dominated by the strategic importance of the Panama Canal. There are two principal reasons for United States support for Costa Rica in this instance, given in spite of the well-known friendship of General Somoza in Nicaragua for the United States. One is the fact that Costa Rica is that rarity in Central America, a genuinely democratic State; the other is the anti-Communist record of its President, José Figueres, generally known as 'don Pepe'.

The reasons for Costa Rica's democratic tradition are in part at least to be found in her earlier history. The Spanish conquerors, finding a country devoid of rich deposits of gold and silver and of a large Indian population which they might exploit, had no incentive to acquire large holdings of land. As a result, Costa Rica is essentially a country of small landowners and middle-class farmers; of a homogeneous white population lacking an Indian problem which is the plague of so many of the countries of Central and Latin America. Moreover, the illiteracy rate is exceptionally low for this region. It has been Costa Rica's proud boast that she has more teachers than soldiers. The country has in the past been fortunate in its statesmen, in particular Ricardo Jiménez and Calderón Fournier, who devoted their efforts to training the people to appreciate the need for universal education and free elections. Figueres was partly educated in the United States where he studied at the Massachusetts Institute of Technology. While there he married an American wife from whom he has since been divorced but he has recently been married again, once more to a United States citizen, who is a social worker. Although Figueres originally came to hold power through taking up arms against the Government, the circumstances were such that his action was in fact in defence of constitutional and democratic methods and his subsequent behaviour has shown his support in practice for democratic principles.

In 1948 Figueres led an armed force against a Government which had allowed the Communists to infiltrate the civil service, the army, and the police. Before Calderón Guardia became President in 1940 the Communists had little influence in Costa Rica except in the banana plantations, but in order to carry through a program

social reform the ex-President relied to a considerable extent on air help, with the result that by 1948 Communist influence had reached dangerous proportions. Figueres was exiled in 1942 for attempting to broadcast a protest on behalf of his fellow farmers against Calderón Guardia's alliance with the Communists. At the presidential election held in March 1948, to the Government's astonishment the opposition candidate, Dr Otilio Ulate, was elected. The Government candidate, Calderón Guardia, who had previously said that the election was the most honest the country had ever known, when the results were declared pronounced the election fraudulent. An Electoral Court, whose verdict the presidential candidates, Congress, and the Executive had pledged themselves to accept, gave a majority judgement that the election had been conducted fairly and that Dr Ulate was elected President. But under Government pressure Congress annulled the election and Dr Ulate was forced to flee. Figueres, who had escaped arrest, led a small force of Dr Ulate's supporters. The guerrilla tactics which he employed, together with wide public support,<sup>1</sup> gained him such success that within two months he had ousted the Government and himself headed a Junta under which the Communist Party was banned and relations with Russia were severed. It was agreed that Figueres should hand over power to Dr Ulate after a period of eighteen months. Although he could easily have retained control had he wished, Sr Figueres in 1949 duly handed over to Dr Ulate as the constitutionally elected President. In the 1953 election, which was agreed to have been genuinely free, Figueres was himself elected President by a two-to-one majority. Figueres refers to himself as a 'practical socialist' and has sought to implement a constructive 'left-of-centre' programme. Already, during the period when he headed the Junta, the important step of nationalizing the banks had been taken. This has enabled the Government to pursue a policy of making available to farmers at low rates of interest loans for the improvement and development of their land. Agriculture is the basis of Costa Rica's economy, and such industries as she possesses are almost all concerned with the processing of agricultural products. Bananas and coffee are the most valuable of her exports. Owing to the high price that has been paid for coffee since the war, but also to the Government's careful management of the economy, Costa Rica enjoyed a Budget

<sup>1</sup> Help in the form of arms was also received from Guatemala, the value of which was later repaid.

surplus each year from 1950 to 1954. The country's improved financial situation has enabled her to undertake the liquidation of her external debts to the United States, Great Britain, and France, and thus with a clean slate to qualify for a loan from the International Bank for Reconstruction and Development. The present economic outlook is less rosy owing to the unsettled conditions which prevailed during 1954, due to the unhappy state of her relations with Nicaragua, but Costa Rica's economic future will to a large extent depend on whether the price of coffee remains high.

The Government has an ambitious programme of public works and social reforms which it would not at present be possible to carry out without external assistance. This has so far been provided principally under Point Four of the United States Technical Assistance Programme. But it is a cardinal point of Figueres's policy that Costa Rica should, as far as possible, finance her own economic development without depending on foreign aid. A new hydro-electric project at La Ganta, started in 1953, has been financed entirely by Costa Rica herself from increased income brought in by the high coffee prices of the last few years and is proving a valuable training ground for Costa Rican technicians. The personnel employed on the scheme are all Costa Rican with the exception of a U.N. adviser who visits the work in progress from time to time. It is hoped that the scheme will provide the country with ample power at low rates before the rapidly increasing tide of demand once more overtakes the supply. It is no secret that the Figueres regime hopes eventually to buy out the United States company which at present provides Costa Rica with power. In his inaugural address as President, Figueres said: 'The right of ownership, exercised in a permanent form by residents of one country over an important section of the economy of another country, is undesirable for both and for the harmonious development of the hemisphere.'<sup>1</sup>

By far the largest single holding of foreign capital in the country is that of the United Fruit Company, a United States concern with similar large-scale interests in a number of other Central American countries. This company almost entirely controls the banana industry which, as we have already seen, provides one of Costa Rica's most valuable exports. Figueres has made it plain that his eventual aim is to buy out the company, but at the same time to allow it to act as agent and distributor. Meanwhile at his request

<sup>1</sup> *New York Herald Tribune*, 23 November 1953.

the company agreed in 1954 to negotiate new terms for its unexpired contract signed in 1948, although there was no legal obligation to do so. The new terms eventually agreed were as follows: the company should pay 30 per cent income tax on its net earnings instead of 15 per cent as previously; it should pay customs duties on about half of the goods it had previously imported free of duty; it should accept the recently passed minimum wage decree, hitherto disputed by the company, and should turn over to the Government free of charge the company's hospitals, dispensaries, schools, and other social services when the Government was ready to administer them. The agreement was of exceptional importance in that the company was well aware that it would stimulate similar demands from other Central American countries and would inevitably become a prototype for other agreements. Moreover, it served to show that advantageous terms could be obtained by a small country in a freely negotiated agreement with the United Fruit Company.

Despite these advantageous terms, the agreement met with strong opposition in the Costa Rican Congress from opponents of Figueres. These consist principally of the supporters of ex-President Ulate, who has now become estranged from Figueres, his erstwhile friend. Although the Opposition claimed that more should have been extracted from the company, Ulate had himself made no attempt to revise the contract during his period of office. The fact that general taxes on income were also raised to 30 per cent, in line with the United Fruit Company's tax payment, and that increased taxes were levied on coffee growers is likely to be the real source of antagonism to Figueres's Government, whose progressive measures have aroused considerable opposition among the more conservative and business elements of the population. Had the Opposition been in a position to hold up the agreement still further (it was signed on 4 June 1954 and approved by Congress only on 23 December) the Government might have been seriously embarrassed through lack of revenue obtained from the company. But the National Liberation Party which supports Figueres has a substantial majority in Congress, and the eventual acceptance of the agreement was not in doubt. However, the vigour with which the Opposition attacked the Government gave ample evidence, if such were needed, of the genuinely democratic nature of the Figueres regime.

It is precisely the democratic character of the present regime in

Costa Rica that constitutes such an affront to its neighbor particularly to the outright dictatorships of Nicaragua and Venezuela. Figueres himself has said: 'We are a reproach to them. They are not pleased that we are proving here that democracy can work.'<sup>1</sup> Nor has he ever attempted to pull his punches in dealing with his dictator neighbours or in proclaiming his faith in democratic methods. He refused to attend the recent Inter-American Conference at Caracas because it was held in a country then under a dictatorship and he maintained that the holding of the conference there implied moral approval of the Venezuelan Government. Accusations have been made against Venezuela that her planes took part in the recent invasion of Costa Rica. Costa Rica had already incurred the special hostility of Venezuela when it gave refuge for a while to his democratically-minded friend Betancourt, whose term of office as President of Venezuela was cut short by a *coup d'état* staged by the personnel of the present Government. Hostility between Costa Rica and Nicaragua has been intensified on personal grounds. Calderón Guardia, President of Costa Rica from 1940 to 1944 and unsuccessful candidate for the Presidency was given refuge in Nicaragua, as was also Teodoro Picado, President from 1944 to 1948, who became the personal and close friend of Somoza of Nicaragua. Both the Costa Rican ex-Presidents are, understandably, implacable enemies of the Nicaraguan Government.

Nicaragua under Somoza has consistently taken an active part in Costa Rican affairs of which the recent incident is but a manifestation. When early in 1948 Figueres was leading his supporters against the then Government, Nicaragua crossed the frontier to lend their support to Calderón Guardia's action which drew protests from the U.S.A. and Panama. In 1948, shortly after the establishment of the Junta under the leadership of a Nicaraguan plane appeared over Costa Rica. No soon after the Costa Rican army had been abolished by decree in December of the same year than the country was invaded from Nicaraguan territory. Figueres at once invoked the Inter-American Treaty of Reciprocal Assistance signed at Rio de Janeiro the previous year. The Organization of American States took immediate action and sent an investigating commission consisting of representatives from the U.S.A., Brazil, Colombia, and Mexico. The findings of the commission showed that Nicaragua had allowed a group of political exiles, headed by Calderón Guardia, to organize an expedition against Costa Rica.

<sup>1</sup> *Christian Science Monitor*, 24 November 1954.

territory the force that invaded Costa Rica. On the other hand, it found no proof that Nicaraguan armed forces had taken part in the invasion. It also apportioned some blame to the Costa Rican Government in that it had given official sympathy and facilities to the Caribbean Legion, a force whose object was known to be the overthrow of certain Governments, including that of Nicaragua. Both Costa Rica and Nicaragua were asked to cease from hostile acts and an O.A.S. Military Commission provided contingents which patrolled the frontier, consisting of representatives from both countries together with neutral observers. By February 1949 tension had relaxed sufficiently for Costa Rica and Nicaragua to sign a Treaty of Friendship at the instigation of the O.A.S., and in June 1953 Ulate, who was then President, even paid a State visit to Nicaragua.

When Figueres was elected President the following month, the Nicaraguan Government immediately expressed fears that Costa Rica might be used as a base against her. In April 1954 there was an abortive plot to assassinate President Somoza in which it was alleged that Costa Rica was involved. A strong note of protest from Nicaragua went unanswered by Costa Rica; meanwhile tension mounted. The United States Government released to Costa Rica a shipment of arms under the Mutual Defence Act, and in July the Costa Rican Government ordered a blackout in the capital of San José in view of rumours of intended attack by Nicaraguan planes and of a reported force on the frontier. Subsequently these rumours came to be regarded as the product of a war of nerves instituted by Calderón Guardia, and emergency measures were suspended. Later in the month a rebel band found on the Nicaraguan frontier was routed by Government forces, and their leader took refuge in Nicaragua. Nicaragua alleged that Costa Rica had violated the frontier, presumably in pursuing the rebels, and immediately mobilized her troops and air units. The U.S.A. at once sent six Air Force planes on a 'goodwill mission' to Costa Rica, with the result that nothing further transpired at that time. But by the end of November trouble was again brewing, and United States planes were sent to Panama to provide a show of strength in the area. Figueres pointed out that since Costa Rica had no army she had no wish to attack her neighbours, but were she attacked her Civil Guard<sup>1</sup> would take appropriate action.

During December tension again increased, with reports of an

<sup>1</sup> Most reports state that the Civil Guard numbers about a thousand, but the



army of Costa Rican rebels openly training in Nicaragua and purchase by that country of twenty-five Mustang planes from Sweden. Costa Rica has no air force, and the importance of a few aircraft in such circumstances has recently been amply demonstrated in Guatemala. It was understandable both that I should feel anxious and that he should turn once again to the Organization of American States which had proved so successful in settling the dispute in 1948. On 8 January 1955 Costa Rica, fearing imminent invasion, asked for a special meeting of the O.A.S. to consider the situation. Its Council met on 10 January and as a result, it is alleged, of Nicaraguan delaying tactics postponed any action to the 12th. Meanwhile on the 11th Costa Rica was invaded from the north by a force with light planes which took Villa Quesada, forty miles north of the capital. The next day an emergency meeting of the O.A.S. Council was called and it agreed to fly a five-nation (United States, Brazil, Mexico, El Salvador and Paraguay) commission of investigation to the spot in Nicaragua. The commission was provided by the United States and to the meeting of the Foreign Ministers of the American Republics. The Council constituted itself the provisional consultative organ of the Rio Treaty which had been invoked by Costa Rica and Article 3 of which she had requested assistance from all American countries in order to meet the invasion of her territory.

Meanwhile the fighting remained very confused. The rebel force was reported to number about a thousand and to be led by the son of Teodoro Picado, the Costa Rican ex-President. A number of towns were machine-gunned by rebel planes but the invaders received no support from within the country. Even Ulate's opposition paper stated that although he and his adherents opposed the Government they did not support the revolutionary movement. A musical comedy touch was added by a challenge from Sonia Figueres to meet him on the frontier and fight a duel with him. On 14 January the O.A.S. investigating commission issued its preliminary report<sup>1</sup> in which it made the charges that war equipment had come and was continuing to arrive from across Costa Rica.

*Christian Science Monitor's* special reporter, Robert M. Hallet, puts the number of rebels between fifteen hundred and two thousand (*Christian Science Monitor*, 17 January 1955).

<sup>1</sup> Early in February, however, two Opposition members of Congress charged with treason and Congress voted by 31 to 10 to abolish their personal immunity. The Ulate press issued strong protests.

<sup>2</sup> The final report, published on 17 February, in general confirmed the findings.

northern border (i.e. from Nicaragua), and that foreign aircraft were illegally flying over Costa Rican territory and had machine-gunned and bombed various places after the O.A.S. had issued an appeal to end the fighting. The commission recommended that a formal call be sent to Nicaragua emphasizing the increasing seriousness of the situation.

Costa Rica again appealed for planes, anti-aircraft facilities, and patrol boats, as she now feared a further invasion by sea. At the request of the Council of the Organization of American States the U.S.A. sent four P.51 fighter aircraft and a C.54 transport plane, together with spare parts, for the reported nominal sum of one dollar each. They reached the capital on 17 January. Their arrival had an instantaneous effect on the rebel 'air force'—consisting, it was reported, of three planes—which flew to a Nicaraguan airport and was ceremoniously impounded, while the pilots were interned. Within a few days the rebels were on the retreat, but fresh trouble threatened when Nicaragua accused Costa Rica of violating her frontier by air. The O.A.S. stepped in with a plan to establish a six miles wide no-man's-land to be patrolled by O.A.S. observers but forbidden to troops or air force of both countries. Complications arose when a rebel force, instead of moving across the demilitarized zone to take refuge in Nicaragua as had been intended, remained in the area. In consequence the O.A.S. proposed to throw open the zone, after due warning, to enable the Costa Rican Government troops to mop up the rebels. President Somoza's reaction was to state that he was sending his troops to the border and that if one drop of Nicaraguan blood was shed it meant war. The rebel forces, however, provided the solution by crossing the frontier into Nicaragua. Since then there have been minor clashes and mopping-up operations. Casualties on both sides were light since there was little contact between rebel and Government forces throughout the operations. Figueres has stated that those rebels who had been taken prisoner would be tried before civil courts and that 'no advantage will be taken of the heated passions of the moment. We are interested only in restoring normal conditions to the country to permit both its people and its Government to return to work'.<sup>1</sup>

The situation, though at present quiescent, remains potentially very explosive. Somoza has a force of about 7,500 men and with his recent purchase of twenty-five planes from Sweden, which

<sup>1</sup> *New York Times*, 23 January 1955.

have now been delivered, he is in a position to demolish Costa Rica at will unless effectively restrained. The fact that he has twice failed to do so, at second hand so to speak, may have a deterrent effect but on the other hand may only serve to whet his appetite. The U.S.A. appears so far to have acted wisely both in their support for Costa Rica and in the manner in which it was given. The State Department is faced with a difficult situation in having to take a stand against countries such as Nicaragua which have been consistently co-operative with United States business interests and whose support in the United Nations is of value. But it would be an unpardonable error to fail Costa Rica now. Although the country under Figueres is a democracy it nevertheless embodies a spirit of nationalism to be found in almost all of the countries of Central and Latin America today, but in Costa Rica's case it is tempered by good sense and moderation. Moreover Costa Rica is not only a stern opponent of the Communists<sup>1</sup> but has cut the ground from under their feet by effectively carrying out a programme of economic self-sufficiency and social reform. It is understandable that concerns like the United Fruit Company should not welcome a state of affairs that is bound to alter radically the privileged position they previously held. But if the United States wishes to be regarded as a 'good neighbour' rather than the 'colossus of the north', she cannot afford to allow business interests to blind her to the fact that times are rapidly changing even in Central America. The new agreement between Costa Rica and the United Fruit Company is clearly only a stepping-stone to further concessions. The system of co-operation eventually evolved provided it is freely negotiated with a genuinely democratic State such as Costa Rica is at present, would have some chance of permanence and could serve as a pattern for United States relations with other countries of Central and Latin America. But for the purpose it is essential that Costa Rica under Figueres should be preserved from her neighbours.

D. K. M. K.

<sup>1</sup> A recent move has been, with the consent of the trade unions, to ban known Communists from holding trade union posts.

\*

## Notes of the Month

### *The Japanese Elections*

FOR the first time since the war the Democratic Party has emerged as the biggest single party in Japan, with 185 out of 467 seats—a gain of 61 at the expense of the Liberals, now reduced from their former strength of 180 to a sorry 112. Opinions differ as to whether the Democrats owe their success more to popular revulsion against the bribery scandals of Mr Yoshida's last year of office, to the personal popularity of their leader, Mr Hatoyama, whose approachability and fire-side-chatty public manner contrast strongly with the dictatorial aloofness of his predecessor, or to the promise of a more independent, less 'satellite-like' foreign policy beginning with the reopening of diplomatic relations and the expansion of trade with the Sino-Soviet bloc.

In practice, however, it is doubtful if the Election has done more than replace a conservative Tweedledum by a conservative Tweedledee. The Democrats may be more 'independence-minded' than the Liberals; their leaders are personally less deeply committed to co-operation with America, and they count among their members more men prominent during the war and fewer who rose to eminence under the Occupation. But the reported hardening of the American attitude in the current economic consultations in Washington is a reminder that the limitations of the possible are still firmly imposed by Japan's precarious trade position, and it is doubtful if the Liberals would have reacted differently from Mr Hatoyama's caretaker Government if it had been their, and not his, good fortune to receive the recent Russo-Chinese offer of negotiations. The Democrats may be more in earnest about administrative reform and more willing to use economic controls to promote the full employment which figured in their election promises. But they have yet to prove that their indulgence in the spoils of office will be less blatant than that of their predecessors. They have yet to show that they can assimilate into a cohesive party the

diverse elements which jumped on the party's wagon last autumn when, for the sixth time since the war, it reconstituted itself under a new name. And, lacking an absolute majority, they must still accommodate themselves to the wishes of the Liberals in order to secure their support in the Diet.

Anyone unacquainted with the past history and composition of the parties fighting this election would have been hard put to it to judge their political complexion from a mere comparison of their election programmes. An independent foreign policy, more houses, reduced taxes, increased social services, full employment, three-, five-, or six-year plans; on most issues the differences lay only in emphasis or in the scale of the largesse promised. The Socialists could with some justice complain that the conservative parties had borrowed their slogans if not their policies. The two wings of the Socialist Party, divided since 1951 but committed to reunification by next June, chose to fight the Election chiefly on the issues of rearmament and constitutional revision. Conscription, a N.E.A.T.O. designed to fight America's wars with Japanese manpower, annihilation in an atomic war, the restoration of the Emperor system, and the abolition of feminine rights were the chief bogeys they invoked, and 'Defend the Peace Constitution' was their major slogan. The Democrats spoke of the eventual necessity of revising the 'Occupation Constitution', but insisted that they would approach the matter with great circumspection and produce no concrete amendment until after the next Elections; they talked in general terms, and as little as possible, about the need for an independent military strength, while avoiding any commitment on expansion of the defence budget. The million-and-a-half increase in the combined Socialist vote (giving the Left wing 89 instead of 74 and the Right wing 67 instead of 61 seats) is a measure of the Socialist parties' growing hold on organized labour, the younger voters, and the women's organizations. The sudden popularity of the caretaker Hatoyama Government thwarted their hopes of catching large numbers of purely anti-Liberal votes, but their leaders are meanwhile satisfied with what they hope are signs of a long-term trend in their favour, and jubilant that they have secured the third of the Diet seats necessary to prevent Constitutional revision during this Parliament.

Meanwhile the Communists, despite two years of sweet reasonableness and the romantic emergence of one of their underground leaders, succeeded only in gaining two seats and three-quarters of

a million votes. Their hopes must continue to rest on the approach of severe economic unrest.

The Japanese press has shown almost as much interest in the Elections as a touchstone of 'Japan's advance towards democracy' as in their effect in determining the course of future policy. No one is sure whether the electorate should be congratulated or not. The formerly most conspicuous method of campaigning—simple name-repetition by megaphone and loudspeaker—has been banned for the first time. But the 'quiet Election' still produced a 75 per cent poll, and the officially sponsored twenty-minutes-per-candidate election meetings, held twice daily in each constituency, were almost invariably packed to the doors. The fact that despite a high-pressure 'clean Election' publicity campaign more cases of bribery and vote-purchase have been discovered than ever before may merely indicate more efficient and more honest policing. And although in some constituencies men prominent in political scandals have been returned with large majorities, the big switch in voting allegiance is interpreted as a welcome sign that more people are influenced by party programmes and fewer by the network of social pressures and personal connections which make up the traditional Japanese politician's constituency machine.

### *A Changing Mood in the Saar*

IN the last few years the idea of an autonomous Saarland within a closely integrated Europe, if supported without enthusiasm, had been accepted by considerable sections of opinion in the Saar; Prime Minister Hoffmann enjoyed, into the bargain, a certain personal popularity. From the moment of the rejection of the E.D.C. Treaty in Paris, however, the tide has flowed in the other direction. To the pressure of the steadily rising wave of West German prosperity has been added the Saarlanders' resentment at finding stiff competition from the heavy industry of Lorraine on the expanding markets of Baden-Württemberg. The basis of the Franco-Saar economic union is presumed to be the complementary nature of Lorraine ore and Saar coal, but the French have modernized the Lorraine foundries while neglecting to invest in the Saar mines. Moreover, at the time of the Korean war, employment in the Saar steel industry expanded in comparison with that in the mines.<sup>1</sup> But today the modernized foundries of Lorraine

<sup>1</sup> See 'The Saar as an International Problem', in *The World Today*, July 1952, p. 303.

compete—though perhaps not so directly as anti-French propaganda asserts—with the metal industry of the Saar which lacks improvements. The fact that this industry has since the war been largely managed by the French does not escape comment.

Friction is increasingly generated by the perpetuation of the French sequestration of the big Völklingen steel mills, which formerly belonged to the Röchling family. In the autumn news that the French option to buy the Röchling family's interest was in the hands of the Schneider-Creusot group created a stir. The Saar Government at first said that it had no knowledge of the proposed deal but later announced that it had been given an assurance by the French Government that the option would not be exercised without its views first being heard. But reports continue to circulate that although the option itself expired in November the French group has not given up hope of finding alternative means of acquiring control. The brief metalworkers' strike on 21 February, which was said to be concerned with nothing but wages, was in some measure a demonstration against French managers; this no doubt was one reason why the Saar Government quickly brought it to an end. An additional cause of anti-French exasperation has been supplied by the new radio station in the Saar—'Europe No. 1'; apart from its piratical operations, it is believed to be the child of French corruption.

A change in attitude is also noticeable within the Saar Government. This was typified by the appointment last July of a young professor from Frankfurt, Dr Senf, as Saar Minister of Economic Affairs. Another indication of the change was the fact that at the end of last year Herr Jacob Kaiser, the Federal Minister for All-German Affairs, and—still more strange—Herr Altmeier, attended the funeral of an old friend in Saarbrücken; Herr Altmeier is the Premier of the Rhineland-Palatinate which borders on the Saar and an active patron of the irredentist German organization, the *Deutsche Saarbund*. A year ago it would have been impossible for these two ministers to cross the German-Saar frontier, but last November they arrived without fuss and were saluted by the Saar police. This very same frontier is today in many ways Germany's most powerful agent. Its existence is a constant source of irritation to the Saarlanders. They must cross it if they wish to buy cheaper clothes in Germany than they can obtain in the French franc area; each time they return they are faced with the exasperation of a particularly thorough examination by French *douaniers*. The present

led mood in the Saar may, indeed, perhaps be said to be due combination of relatively small irritations with large issues.

### *U.N. Mission's Report on Tanganyika*

The Report of the U.N. Visiting Mission on Tanganyika,<sup>1</sup> unlike official reports, is well written, and the descriptive passages give an admirable picture of those districts visited by the Mission during a five weeks' tour. The accounts of interviews with official and unofficial Tanganyikans of various races are scrupulously impartial. Nevertheless it is made plain to the reader that three out of four members of the Mission, Mr R. Eguizabal (El Salvador), Mr K. J. Jaipal (India), and Mr Mason Sears (U.S.A.), were convinced that an immediate application of democratic forms and an immediate ban upon racial discrimination were more urgent steps than any others if rapid progress is to be made. The problems of a racial community were overlooked. A comparison with the report made by the same Mission, a few weeks earlier, upon the United Nations Trust Territory of Ruanda-Urundi reveals the same prevailing opinions, but the freedom of speech and the encouragement of tribal life and vigour under the British administration produced a crop of proposals, suggestions, and grievances in Tanganyika which had no counterpart on the Belgian side of the line. In Ruanda-Urundi, as in Tanganyika, the chairman of the Mission, Mr S. Reid (New Zealand), dissented from his colleagues on the provocative points in their Report.

The second part includes the following observations:

Self-government is possible unless it is made clear that the goal is the government of the country mainly by Africans. . . There could be no more realistic declaration of faith in the future of the Territory and its people than to fix the time within which they may be helped, with reasonable optimism as well as with reasonable caution, to attain the goal. The Mission has already expressed its faith in the possibility of Ruanda-Urundi, a relatively less-developed country, becoming self-governing in twenty to twenty-five years. . . Despite the much larger area of the Territory and its widely-dispersed population, the mission believes that self-government is within reach of the people of Tanganyika much earlier. . . It should be possible, within the main target, to set intermediate targets and target-dates for phases of developments.

In respect of social development the Mission was content to hope for more rapid progress without discussing how it was to be

<sup>1</sup> Report of the United Nations Visiting Mission to Trust Territories in East Africa, 1954, on Tanganyika (T/1142, 23 December 1954).



financed; and the one agricultural problem examined in detail was the Meru case which has been before the Trusteeship Council already.

The tone of the Report was sharply criticized in the observations made to the Trusteeship Council by the British Government<sup>1</sup>; it was 'an unbalanced and misleading picture of conditions in the Territory' . . . 'The repeated suggestion to be found in the representations of that small section of African opinion to which the Mission chose chiefly to lend an ear—namely that large-scale financial assistance should be provided by the United Nations—is virtually the only point to which little or no reference is made in the second part of the Mission's report'. A further defence of British policy was made by Mr Lennox-Boyd in the House of Commons on 9 March.

The recommendations of the Mission caused consternation in Tanganyika, not least because the Report itself was not available there at a time when garbled versions had already appeared in the press. On 10 February the Legislative Council passed a unanimous resolution expressing 'deep regret at the procedure adopted by the Trusteeship Council in the publication' of the Report, and a number of leading Tanganyikans at once took flight for New York to put their various views before the Trusteeship Council. Mr Nyerere of the Tanganyika African National Union was expected to support the views of the U.N. Mission, but African, Indian, and European unofficial members of the Legislative Council took an unfavourable view of the Report, as did also the Attorney-General who went to express the views of the Tanganyika Government.

At the debate in the Trusteeship Council on 24 February, Sir Alan Burns, speaking on behalf of the British Government, said that with regret the British delegation was obliged to oppose virtually every major recommendation of the report. More surprising was the action of the State Department which instructed Mr Mason Sears, a signatory to the Report, 'to temper his personal dispute with the colonial powers'.<sup>2</sup> During the succeeding debates the Report was defended by the delegates of China, Haiti, El Salvador, and Soviet Russia, and attacked by the delegates of Australia, Belgium, France, New Zealand, and the United States. Sir Alan Burns made it clear that the administering authority would accept no recommendation which was 'inimical to the interests of the people of Tanganyika'.

<sup>1</sup> See *The Times*, 21 February 1955.

<sup>2</sup> *New York Post*, 24 February 1955.

## *Iraq, Egypt, and the Arab League*

THE States of the Arab League fall into two groups: Sa'udi Arabia and the Yemen, which are still patriarchally governed, and the rest which have adopted modern constitutions. Of the latter group it is often forgotten that Iraq was the first to achieve sovereignty, by her admission to the League of Nations in 1932—four years earlier than Egypt and thirteen years earlier than Syria and Lebanon. Already while Egypt was still disengaging herself from the centuries-old encumbrance of the Capitulations at the Montreux Conference of 1937, the Iraq Government was signing the Sa'dabad Pact with her non-Arab neighbours Turkey, Persia, and Afghanistan. Iraq, in fact, lying at the north-east extremity of the Arab world, and having substantial minorities of Shi'is, Kurds, and Turcomans among her population, has continually been constrained to take a wider view of foreign policy than some other Arab States. And this wider view has been particularly characteristic of the elder statesman Nuri es-Sa'id who has dominated Iraqi politics for the last twenty-five years.

The constitution of the Arab League, ratified in March 1945, did not preclude the making of treaties with non-Arab States. Within less than a year from that time Communist puppet Governments had been established under Red Army auspices, and with the co-operation of some Iraqi Kurdish refugees, in the Persian provinces of Azarbaijan and Kurdistan, on Iraq's northern border. Nuri's response was to conclude a treaty of friendship with Turkey—also threatened by a Soviet war of nerves—and to procure its ratification by the Iraq Parliament in 1947 despite the opposition of the pan-Arab nationalist parties. Egyptian political circles were absorbed at this time in their efforts to secure the annulment of the Anglo-Egyptian treaty of 1936, and assailed Nuri's action, ostensibly as an infringement of Arab unity but really because the Turkish Government was urging Egypt to put considerations of regional defence in the 'cold war' before national *mour-propre*. Egyptian propaganda played its part in inciting popular opinion in Baghdad against the Portsmouth Treaty of 1948, which would have amended the Anglo-Iraqi treaty of 1930; and since that time it has been an item of reproach in pan-Arab circles that Iraq's successive Governments have shown less zeal than those of Egypt in shaking off the alliance with Britain. The survival of the Crown and its constitutional influence in Iraq is

also regarded by Arab 'progressives' as a 'reactionary' feature of Iraqi political life, not least since Egypt 'chose freedom' by the proclamation of the republic in 1953.

It has to be remembered also that the Arab League, in the form which it took in 1945, was superimposed by Egypt upon a project which Nuri had put out two years earlier for a close union of Iraq and the Arab States still under mandate to Britain and France and for a looser association between this 'Fertile Crescent' union and Egypt and Sa'udi Arabia. In the years that followed the formation of the Arab League Nuri did not fail to push his project whenever the chronic political instability of Syria or the chronic financial precariousness of Jordan offered an opportunity. Egypt and Sa'udi Arabia were vehemently opposed to such a scheme which would have strengthened Iraq to their disadvantage; and the Arab League collective security pact of 1950 was designed by Egypt not merely against Israel, but also against any such initiatives on the part of one or more member States. A vote by a two-thirds majority of the defence council was to be binding on all members, and Article 10 bound all members 'not to conclude international agreements inconsistent with the present pact, and in their relations with other Powers not to adopt an attitude incompatible with the objects of the present pact', viz. Arab solidarity.

In the years that followed, the reluctance of Egypt and her satellites to conclude any defence arrangements with the Western Powers, as long as the Canal Zone and Palestine questions were not settled, caused impatience in Baghdad, the only Arab capital situated much nearer to the Soviet border than to Tel Aviv. When the defence pact between Turkey and Pakistan was concluded in February 1954 and there were rumours that Iraq also might join there was a violent denunciation of Iraq in the Egyptian press especially as the Egyptian Government was still holding back from any strategic commitment involving Turkey as the price of a British withdrawal from the Canal Zone, and was extolling a policy of complete neutrality in the global alignment between East and West. Demonstrations against Turkey and Iraq were incited in Syria and Lebanon by Left-wingers and pan-Arab nationalists in collusion, and there were the usual casualties sustained at police hands by the students who are the devoted cannon-fodder of political extremism in the Middle East.

The tension died away; and when in July the Egyptian Government at last consented that an attack from outside on Turkey, as

well as on any Arab State, should be regarded as a *casus foederis*.  
 Allowing Britain to resume use of the military installations in the Canal Zone, it seemed as if the problem of regional defence in the Middle East had made an important step towards that solution desired by both Britain and the United States. However, since the Egyptian public had been fed for nine years on an anti-British diet of neutralism, the new agreement was not popular in the nationalist circles who derive their inspiration from the Muslim Brotherhood. Colonel Gamal Abdel Nasser and his military associates realized that a substantial period would be required for re-educating the public before Egypt could enter into any defence pact with the West, even though the delay would deprive Egypt of arms and military equipment from the West in any quantity. But if Egypt were to remain uncommitted for a year or two, it was intolerable to the *amour-propre* of the Council of the Revolution that Iraq should forestall them in a closer association with the West and access to Western armament. If Iraq were to join up with Turkey and the West, Syria and Lebanon might follow; and where would Egypt's leadership of the Arab League be then? Major Salah Salem was accordingly despatched to Iraq in August to restrain the Iraq Government; but Nuri, after annihilating the parliamentary opposition to himself by a skilfully conducted election campaign, made it clear during a return visit to Cairo in September that he would put his conception of Iraq's interests before the tenuous principle of pan-Arab solidarity. Iraq had signed the Arab League collective security pact only belatedly and with reservations; and, in any case, had the Egyptian Government consulted the other Arab States before ratifying their new agreement with Britain? The fact that no communiqué was issued after the autumn meeting of the Arab League showed that the dilemma was still unresolved; but the forthcoming visits of the Turkish Prime Minister to both Baghdad and Cairo (whither the Egyptian Government had invited him) were awaited as a catalyst.

While the Turkish Prime Minister was in Baghdad early in January 1955, pan-Arab newspapers in other Arab countries (those in Iraq itself being effectively controlled by the Government) began to urge that the price of any understanding with Turkey should be a settlement of the question of the sanjak of Alexandretta (the Hatay), which had been annexed by Turkey from Syria in 1939, and the breaking of economic relations between Turkey and Israel. When on 13 January the communiqué at the

close of the Turco-Iraqi conversations announced the two Governments' readiness to proceed to a mutual defence pact, there was immediate reaction in Cairo. The Egyptian Foreign Minister protested that his Government had not been kept informed and that Iraq's action violated the spirit of the Arab League collective security pact. The official newspaper *al-Gumhuriyya*, directed by a prominent member of the Council of the Revolution, began a series of scurrilous personal attacks on Nuri es-Sa'id. In reply, Iraqi Ambassadors in Egypt and Lebanon assured correspondents that the details of the pact with Turkey would not be decided without consultation with the other Arab countries, and in Baghdad the director-general of national orientation remarked that Egypt had not kept the other Arab States informed of her recent negotiations with Britain. It was evident that what had annoyed Cairo was the passing of the initiative to Baghdad, and that a campaign against Iraq might restore the Government's credit with Egyptian nationalists. The abusive propaganda campaign was redoubled, and an official of the Egyptian State radio was expelled from Iraq for soliciting and recording declarations hostile to Nuri's Government and the Turkish pact from members of the Opposition and the general public; but while the fall of Nuri's Government was confidently foretold in Cairo, his policy received the support of the Iraqi elder statesman Tawfiq as-Suwaid and of Nuri's long-standing opponent Salih Jabr. The Egyptian campaign was having the opposite effect from that intended.

The Egyptian Government cancelled the visit to Cairo which the Turkish Prime Minister was to have made, and instead convened an extraordinary meeting of the Arab League Prime Ministers in Cairo for 22 January. They assembled without Nuri and his Foreign Minister, both of whom pleaded illness but who refused a postponement by Colonel Nasser, whose comportment to his Arab colleagues and seniors in age showed signs of becoming to say the least, high-handed. They were assembled daily for three sessions of three hours each and lectured on their duty to condemn the Iraqi action root and branch. Meanwhile, *al-Gumhuriyya* abused the Iraq Government for having become 'the ally of the enemy of Israel', and the Turkish Government was constrained to deny reports emanating from Cairo that it was about to conclude a military pact with Israel. Eventually, at the request of the other Prime Ministers, Colonel Nasser consented to receive an Iraqi delegation deputizing for Nuri, and this delegation took its seat

the conference's ninth session on 27 January. No compromise was reached, however, and on the 30th Nuri telegraphed that if his policy were condemned his Government would no longer consider itself bound by the Arab League collective security pact.

The other Prime Ministers, thoroughly alarmed by the intransigence shown on both sides, obtained agreement on the sending of the Lebanese Prime Minister, the Syrian and Jordanian Foreign Ministers, and Major Salah Salem to Baghdad to seek a compromise there. The Lebanese President appealed to Nuri to defer signing the Turkish pact for four months, and meanwhile to consent to meeting Colonel Nasser and the other Prime Ministers on the neutral ground of Beirut—where a section of the press was by this time openly deploring the violence of the Egyptian propaganda campaign. Colonel Nasser, replying to the Lebanese President, added the further condition that Iraq must consent to a discussion of the very principle of the pact with Turkey and to be bound by a majority vote. Nuri's response, according to reports from Baghdad, was that a four-months' delay was intolerable in view of the threatening situation in the Far East and that Iraq was not disposed to submit to Egyptian dictation in the Arab League.

Not everyone was likely to be convinced by Nuri's insistence on the need for haste, and it remained to be seen whether the dictatorial control which he had exercised for the last half year over Iraqi public life<sup>1</sup> could indefinitely prevent agitators from both the right and the Left wings from instigating demonstrations which might undermine his policy. It was at least clear, however, that that policy was by no means as unpopular in Iraqi political circles as the Cairo propaganda pretended; and the prospect of receiving quantities of American arms and equipment as a reward for the Turkish pact was likely to conserve for Nuri the support of the army. On balance Egypt had undoubtedly lost ground; and her rulers' sense of frustration was clearly reflected in their draconic decision to carry out on 31 January the death sentences imposed on two out of a group of Jews accused, on evidence not universally regarded as convincing, of espionage on behalf of Israel. The hanging of these two individuals was not so much the execution of a judicial sentence as a political manifesto—like the hanging of a British army translator in the early months of the revolutionary regime or the hanging of a wealthy local Jew in Basra (Iraq) during the Palestine war. It seemed as if the gallows was being made a

<sup>1</sup> See 'Strong Arm of the Paasha', *The Times*, 23 February 1955.

medium of the Ministry of National Guidance like the press or the radio. Although it was reported that not all the members of the Council of the Revolution were equally resolved to be uncompromising, significant preparations were made to provide a fitting reception for those two eminent neutrals, Marshal Tito and Pandit Nehru, when passing through Egypt; and a so-called 'grey eminence' (perhaps Ali Maher) repeated to the Cairo correspondent of the Beirut *Orient* the time-honoured formula that Egypt's 'leaning towards the West can find expression in a free co-operation, not in rigid strategic commitments. The agreement with Britain about the Suez Canal zone . . . is as far as we can go . . . a free political and economic co-operation, and perhaps the acceptance of arms and equipment; nothing more. . . No serious treaty will be concluded between the Arab world and the West until our public opinion is convinced of the disinterestedness of the great Powers who have for so long exploited our soil, our underground resources, and our people. This needs time and proofs of good will, which could be given in respect of Palestine and Morocco'.<sup>1</sup>

After a month of manoeuvring on the part of the Egyptian Government to prevent the signing of the Turco-Iraqi pact, and on the part of the Lebanese Government to effect some kind of compromise between Iraq and Egypt, the pact was signed in Baghdad on 24 February.<sup>2</sup> It was followed by the signing on 2 March of a counter-agreement between Egypt and Syria, to which Sa'udi Arabi and possibly other Arab States were expected to accede. Its provision for the combining of Arab defence forces under a unified command might have had some effect had it been made seven years earlier; but its tardiness was underlined by the attack which an Israeli armed force had launched on Gaza on the night of 28 February-1 March, destroying the railway station and killing thirty-eight soldiers of the Egyptian garrison. While the Israelis claimed that they had been attacked first, and that this was only the latest of a series of clashes in this sector, it was difficult not to see in it a reprisal for the Egyptian hanging of the two Jews a month earlier and at the same time a means of exploiting the Arab differences. The Egyptian propaganda hastened to argue that the Israeli attack had been encouraged by the disunity 'caused' by the Turco-Iraqi pact, or even instigated by the

<sup>1</sup> François Courtal, in *L'Orient* (Beirut), 28 January 1955.

<sup>2</sup> It was for five years, automatically renewable unless previously denounced, and was open to other Arab and interested non-Arab States. The detailed provisions were to be concluded later.

British and U.S. Governments as a means of pressing the Arab states to accede to that pact. The question remained, at the time of writing, whether the Egyptian Government still recognized the defence obligations of the agreement which they had signed with Britain only last October, or whether they would apply to this instrument the same one-sided *rebus sic stantibus* interpretation that their predecessors had applied to the 1936 Treaty. To what new gesture of intransigence, with consequences more serious than the execution of the Jewish 'spies', might they not be impelled by their struggle to retain the primacy over the Arab states? The analogy with the Wafd Government's desperate struggle for prestige from October 1951 to January 1952 was becoming uncomfortably close.

G. E. K.

## *The Dilemma of Soviet Writers*

### *Inspiration or Conformity?*

AFTER an encounter, at first timid but later more violent, between the 'reformist' trends and the 'untouchables' of the Machine (to use Sholokhov's expression), the second Congress of Soviet Writers, which took place in Moscow from 15 to 26 December 1954, ended with a compromise. It was this that made the Congress of interest from the political standpoint: its colourless resolutions, with their attempt to reconcile Zhdanovist requirements with the writers' impatience to shake off the yoke of a too rigid censorship, seemed to reflect a precarious balance in the higher strata of the Soviet Union between Party leaders and leaders of the Administration, between the partisans of Khrushchev and those of Malenkov.

While the crisis in the Soviet leadership which developed at the beginning of February 1955 shed retrospective light on certain obscure aspects of the Congress, the Congress itself had afforded indications of the existence of serious tensions in the Kremlin. It did not, in fact, require much imagination to divine, behind the protagonists of the literary battle, Simonov, Korneichuk, Ehrenburg, and Sholokhov, the shadowy outlines of the eminent per-



sonalities who inspired and encouraged them. There were present grouped together on the platform of the Congress (which opened in the Kremlin, in the hall of the Supreme Soviet), all the most important members of the Praesidium, both those who were soon to come into greater prominence and those who were to move into the background: Bulganin, Kaganovich, Malenkov, Mikoyan, Pervukhin, Saburov, Khrushchev, Shvernik, Pospelov, Suslov, Shatalin.<sup>1</sup> The presence of these leaders in full force demonstrates the interest which the Soviet ideologists attach to literary developments.

This interest may seem strange to Westerners, accustomed as they are to a more definite line of demarcation between Government policy and literary life. Even in France, the native land of revolutionary doctrines, where the battle of ideas has so often in the past been intermingled with the battle for power, the political influence of writers today (of Mauriac, for example, or Malraux or Sartre) is limited to 'intellectual' and student circles. Their struggles of conscience, their hesitations between parliamentary freedom and the ideal democracy, have no repercussions on the issue of an electoral campaign. Successive Governments are politely but unequivocally not interested in the opinions of writers and artists.

The situation is very different in the Soviet Union, where, as in the Republic of Plato, the 'Kings' are philosophers, where the aim of policy is to gain control over all human activities, and where the supreme ambition of the rulers is to 're-educate' in accordance with the Marxist-Leninist conception of history. In the all-embracing philosophy of the Soviet ideologists, writers, guided by the theoreticians and critics, fulfil a sacred role: they are called upon to officiate, to spread the faith, to create works which are not content merely to reflect reality but which cast an almost supernatural light upon it. Paradoxically enough, it is that light, that embellishment of the present through the vision of a future beatitude, that is known in the U.S.S.R. as 'socialist realism'.

The Party's own ideas on literary matters have shown a remarkable continuity, from the days when Lenin first formulated them in his *Party Organisation and Party Literature*, published in 1905 down to the resolutions of the Congress of December 1954. Lenin

<sup>1</sup> The newspapers gave their names in alphabetical order, no doubt to avoid any question of precedence. This fact may also be interpreted as an indication of the weakening of Malenkov's position.

Zhdanov, and Khrushchev are all agreed that literature should be 'frankly partisan', that it should be 'popular'—in other words, comprehensible to the masses and not for 'an élite alone—and, finally, that it should be 'socialist'. The aim of Soviet literature, as Konstantin Fedin lately expressed it,<sup>1</sup> is 'to re-educate man in the spirit of socialism'.

#### FROM ZHDANOV TO MALENKOV

For the 'apparatchik', or member of the Party machine, there is no being more suspect than the writer who claims liberty of conscience and of inspiration. In this connection Zhdanov's pronouncement, made in 1934, still remains valid: 'Abstract aestheticism is radically incompatible with the heroism of labour'. Art, for the Communist, is an instrument of propaganda, not an end in itself. But, unfortunately for the theoreticians, to secure the submission of the writers, the education of the educators, proved a more difficult problem than they had imagined. That chameleon of Soviet literature Ilya Ehrenburg, whom Sholokhov recently praised in somewhat ironical terms for his 'diplomatic savoir vivre', doubtless had this in mind when on 17 December he exhorted the 'inquisitorial' critics to deal gently with writers, for 'if there can be no cream without milk, neither can there be any milk without the cow'. In other words, there can be no literature without writers (if only literature could be mechanized!), and no writers without inspiration. 'Zhdanovism,' the Party's aesthetic doctrine formulated in 1946 by A. Zhdanov in agreement with Stalin, with its implicit tendency towards Communist isolationism, led Soviet literature into an impasse which was already causing the responsible authorities in the Party some concern even before the Generalissimo's death. This impasse, demonstrated by the increasing mediocrity of the works produced, has a single origin: fear<sup>2</sup>—fear of displeasing the official critics, of saying something that could be interpreted as deviation. Now there are many, all too many, ways in which deviation is possible. The review *Ostprobleme* recently enumerated fifty-nine,<sup>3</sup> and its list was still incomplete. How is anyone to find his way through this labyrinth, sown with obstacles, without the help of a sure guiding

<sup>1</sup> Cf. article on the opening of the Congress, *Pravda*, 15 December 1954.

<sup>2</sup> Writing before the Congress met, the *Literaturnaya Gazeta* (29 July 1954) reproached writers with 'their over-anxious spirit and their exaggerated prudence,' and urged critics to 'cease their opportunist and panicky vacillations'.

<sup>3</sup> *Ostprobleme* (published in Western Germany), 24 December 1954.

line, a sort of magic formula? The Congress's rapporteur on the drama, A. Korneichuk, who certainly cannot be suspected of unduly subversive ideas, expressed his colleagues' dismay and confusion in the following terms: 'After the severe if just criticism meted out to Zorin's play *The Guests*<sup>1</sup> dramatists would like to know what our leaders have in mind when they say that we need new Gogols and Shchedrins. Precisely what kind of Gogol and Shchedrin do we need? These writers say that precise formulae would have to be elaborated<sup>2</sup> and then they would not begin to write a play until the formula had been carefully studied. Two dramatists have declared to me: "If they are going to give us a precise formula, we shall write satires without any trouble."'

'They just want to write satiric plays without trouble,' Korneichuk went on. 'They also just want to discuss without trouble the burning problems of artistic life. . . I understand these moving human sentiments of my colleagues the dramatic writers. . .' Korneichuk was speaking ironically; but his irony must have left a bitter taste.

In evoking the name of Gogol and Shchedrin, Korneichuk, as his whole audience must have realized, was alluding to a speech of G. Malenkov at the Party's 19th Congress in October 1952—a speech which must be regarded as the point of departure for the literary battle now being waged. 'We need Soviet Gogols and Shchedrins,' Malenkov then proclaimed, recalling perhaps Proudhon's exclamation: 'France has need of new Voltaires.' 'We need Soviet Gogols and Shchedrins who by their fire and their satire would burn up all the negative, decaying, dead elements in our life, everything that impedes progress.' In launching this vigorous appeal, Malenkov seemed to be taking up an opposite position to that of Zhdanov, whose great purge campaign of 1946 in fact began with the 'execution' of the best satiric writer of the U.S.S.R., Zoshchenko. While not officially condemning satire, Zhdanov nipped in the bud any attempt at its revival, for he made it clear to writers that the Party would not tolerate 'infringements on the education of human minds or of youth' by inopportune criticisms. For Zhdanov, Soviet literature had to reflect the enthusiasm and heroism of the builders of socialism; it should always be cheerful and optimistic. But satire flourishes against a background of pessimism, as the examples of Swift and Gogol prove. Compulsory enthusiasm has taken its revenge by bequeath-

<sup>1</sup> See below, pp. 158-9.

<sup>2</sup> i.e. they would receive precise instructions.

ing to Soviet art a lamentable inheritance, a sort of monumental and depressing neo-classicism whose expression is apparent as much in architecture and painting as in literary works.

#### A PRECOCIOUS SPRING

In October 1952 it was not possible for Malenkov's appeal for reform to take immediate effect. It was made in an atmosphere heavy with the threat of fresh purges and of a new access of Zhdanovism, that Soviet form of McCarthyism, with its fanatically anti-Western, anti-cosmopolitan, and anti-semitic doctrine. It was only after the death of Stalin, or more precisely after the eviction of Beria, that the new line in aesthetics announced by Malenkov began to make itself felt in literature. The changeover was not rapid; and it is easy to understand why. Before adopting the 'new line' writers wanted to make sure that it had a chance of lasting. While Stalin's successorship was still uncertain and while the Party secretariat was in a state of flux it seemed dangerous to take sides with Malenkov, whose position seemed far from being consolidated. But bit by bit, timidly at first, then with greater assurance, tongues were loosened. The pioneers received a warm welcome from the public. It soon became apparent that in urging writers to draw more extensively on reality for their inspiration Malenkov was expressing not only his own personal taste but that of his whole generation, of the new intelligentsia formed by thirty-six years of revolution. This intelligentsia was weary of the rose-coloured literature on which it had been nourished; it was this that Malenkov had in mind when he said that 'Soviet men cannot tolerate platitude, falsity, or works that are dull and mediocre and sometimes just careless, which distort Soviet reality.' The Soviet élite demanded strong, original, gripping works.

The change was reflected in the new edition of the *Anthology of Soviet Literature* for the tenth class in schools, published in Moscow in the autumn of 1953. This edition quoted in full Malenkov's proposals concerning literature, sandwiched between two speeches by Zhdanov and one by Gorki. Then an occasional note of satire began to appear in the news items and articles in the Soviet newspapers and reviews. Zoshchenko himself, condemned to silence since 1946 as an 'enemy of Soviet society', reappeared on the pages of *Krokodil*. Journalists and writers engaged in a positive bout of socialist emulation to bring out aspects of Soviet life hitherto carefully glossed over. At a meeting of young critics in Moscow in

September 1953 there was a real revolt of the non-conformists

To be sincere: this was the battle-cry of a group of young poets, writers, and critics centring round the Moscow review of the Writers' Union, *Novy Mir*, which courageously plunged into the literary fracas. Their leader was the review's editor, the poet A. Tvardovsky, who in June 1953 published a long poem attacking the severity of the censorship. In the following December *Novy Mir* published a veritable manifesto of the new trend in an article by the critic V. Pomerantsev entitled 'Sincerity in Literature'. The article opened with the words: 'Sincerity—that is what has been lacking in many of our books and plays'; and Pomerantsev went on to defend the thesis that 'the degree of sincerity in a work in other words its spontaneity, should be the first criterion by which its literary value should be judged'.

In the West such views would not even attract attention, so much are they taken as a matter of course. But in the U.S.S.R. at the end of 1953 they sounded definitely revolutionary. Pomerantsev denounced the majority of orthodox, officially-approved work as 'useless and mischievous'. He contrasted the insipidities of the Fedins and the Fadeevs with the volcanic art of Dostoevski. 'The best artists,' he proclaimed, 'want to confess rather than to preach. Our literature needs artists, not bards. The bard takes joy as his theme, the artist creates it.'

Pomerantsev's article produced the effect of a pebble thrown into a pool. The scandal was tremendous. Some attacked him, others greeted him as the herald of an intellectual rebirth. After the publication of the manifesto sincerity in literature became the sole topic of discussion in the literary circles of Moscow, Leningrad and Alma Ata. Pomerantsev's ideas spread like a widening circle and reached far beyond the frontiers of the U.S.S.R. Thus for example when a Soviet cultural delegation, including a writer Kazakovich, arrived in Budapest in February 1954, the first question put to them by Hungarian writers was: 'What do you think of Pomerantsev?' 'He's a nihilist,' replied the Soviet writer. In so saying he expressed the view of all the Zhdanovists of Soviet literature. They did not take long to react. On 30 January 1954 the *Literaturnaya Gazeta* published a violent answer from the pen of a certain Vitaly Vasilevski which imperatively reminded readers that 'it is the Communist Party that formulates the tasks of literature and art'. Similar views were expressed by Ludmilla Skorino in

<sup>1</sup> cf. *Irodalmi Ujsag*, 13 March 1954.

the review *Znamia* (February 1954). Nevertheless four students had the hardihood to write a letter to *Komsomolskaya Pravda* (17 March 1954) in defence of Pomerantsev and in favour of freedom of discussion. In publishing this letter the Communist Youth journal no doubt yielded to pressure from the considerable body of student opinion which had welcomed the appeal for a renaissance. Even Ilya Ehrenburg after some hesitation rallied to the cry for reform: he published in *Znamia* (1953, No. 10) an essay 'On the Work of Writers' whose aim was to urge upon his colleagues a more scrupulous and more courageous observation of real life. It was doubtless to illustrate this new doctrine that Ehrenburg wrote his short novel with the symbolic name of *The Thaw*<sup>1</sup> which later gave rise to an animated controversy between the author and his critics. Another even more lively debate developed early in June round Zorin's play *The Guests*.

#### THE ZHDANOVIST COUNTER-OFFENSIVE

The counter-attack of the writers and critics who remained faithful to the Party line (and who doubtless received encouragement from the Party secretariat) developed methodically. The orthodox elements began by taking refuge in socialist morality and took for their target certain writers and poets who had been overzealous in rallying to the 'new line' and who were at the same time vulnerable on the ethical side. Such were Nikola Virta, attacked in *Komsomolskaya Pravda* (17 March 1954) for having had a country villa built with the unpaid help of Komsomol members, and the poet A. Surov, denounced as a notorious drunkard by the strongly orthodox F. Gladkov, author of *Cement*.

Following this diversion, Surkov, the secretary of the Writers' Union, opened up the heavy fire. On 25 May he published in *Pravda* a long article entitled 'Under the Flag of Socialist Realism' in which he outlined the topics with which the Writers' Congress, originally planned to take place in the autumn of 1954, should deal. Surkov's ideas—which, needless to say, were officially inspired—were taken up by the theoretical organ of the Party, the review *Kommunist*.<sup>2</sup> Plunging into the debate which in literary circles was by now dividing the partisans of liberalization and the defenders of orthodoxy, the Communist Party leadership appeared to give its

<sup>1</sup> First published in *Znamia*, later in book form (Moscow, Sovietskii Pisatel, 1954). English translation by Manya Harari, London, The Harvill Press, 1955.

<sup>2</sup> *Kommunist*, June 1954.

verdict in the sense of a slightly more flexible Zhdanovism. Surkov and the anonymous author of the *Kommunist* article denounce the writers of the *Novy Mir* circle—Pomerantsev, Lifschitz Abramov—and the free-lance Zoshchenko as 'anti-Marxist, idealist, subjective, and formalist'. They also condemned the authors of the satirical plays that had had the greatest success: Zorin (*The Guests*), Zorodetski (*The Activists*), and Marienhof (*The Crown Prince*). These plays all presented a far from lenient picture of the higher spheres of Soviet life. But had not Malenkov urged writers to castigate decay? Quite true, answered the spokesmen of the Secretariat; but writers ought not to take as targets the respectable representatives of the Party and the State. They should limit themselves to attacking the 'still persisting vestiges of capitalism'.

This adoption of a Zhdanovist position by the *apparatus*, which produced no reaction whatever from Malenkov, seriously disturbed the Soviet writers, who no longer knew where they stood. Was Malenkov not powerful enough to defend those who followed his orders? Among the most worried was Simonov, who had made the mistake of describing *The Guests* as a model of satiric art. The author of the *Battle of Stalingrad*, a sound tactician, then executed a remarkable volte-face. From 10 July onwards he launched a violent attack in *Pravda* against Zorin, Marienhof, and company. Finally, in an ardour of self-justification, he attacked Ehrenburg. On 18 and 20 July 1954 he published in the *Literaturnaya Gazeta* an analysis of *The Thaw*, thus letting loose a debate which was to last right on into the sessions of the Congress itself.

A few words must be said here about Ehrenburg's novel which aroused all this discussion. Written in haste, *The Thaw* will certainly not count among the best of its author's works. Nevertheless the subject is interesting: the description of life in Soviet artistic circles gives Ehrenburg the opportunity for a very successful caricature of some typical personalities—the mediocre *arriviste*, the man who prostitutes his talents through opportunism, and so on. The reproach that Simonov and the other critics made against Ehrenburg was that he painted too black and too depressing a picture of Soviet society. 'He gives the impression that his heroes have seen around them, throughout the whole of their lives, much evil and very little good—that, in fact, evil is the rule in our country, and good the exception,' says Simonov, insinuating that while that Ehrenburg attributes to his 'negative' heroes his own 'subversive' ideas.

The same reproach was also made against Zorin, the author of *The Guests*, which had to be withdrawn—nominally 'by public request'—after it had aroused thunders of applause at the Ermolova Theatre in Moscow, at the Gorki Theatre in Leningrad, and at Smolensk, Riazansk, and elsewhere. It is true that, to a Western reader, Zorin's play, like Ehrenburg's novel, justifies neither the enthusiasm of its first reception nor the severe criticism it subsequently received. It lacks action, its dialogue is heavy, and its characters insignificant. But the subject introduced a new note. It represents the conflict between two Communists concerning a lawyer of the old school who had been unjustly expelled from the Bar for having criticized the procedure in a trial in which he was acting for the defence. Zorin makes use of this plot to attack the profiteers of the Revolution, the hypocritical bureaucrats who care nothing for principles. 'What does Communism matter to you? To you it's nothing but a word,' says the old Bolshevik in the play when challenging his son, the dishonest magistrate. The Soviet high bureaucracy cannot tolerate such diatribes, which might be given a general application. 'Everyone knows,' wrote *Sovetskaya Kultura* (5 June 1954), 'that the workers of the State apparatus, created and formed by the Party, have no other aim but to serve the people and the fatherland. Everyone knows that officials belong body and soul to the people.'

#### FOR A GREATER INTELLECTUAL TOLERANCE

When the Congress met the main issues were already prejudged. In this respect Soviet congresses resemble the great show trials: they are perfectly stage-managed spectacles. The real trial, the genuine debates, go on behind the scenes and in the corridors. In the present instance, the Writers' Congress was meticulously prepared by preliminary meetings organized in the capitals of all the Republics within the Union. Each of these meetings confirmed the sanctions already adopted against Tvardovsky, who on 17 August 1954 had been replaced as editor-in-chief of *Novy Mir* by K. Simonov; against F. Panferov, removed from the editorship of *Znamia*; and so on. None of the critics or writers indicted—Pomerantsev, Abramov, Panferov, Zorin, Marienhof, etc.—was given a hearing at the Congress. Ehrenburg alone spoke, making a non-committal speech in which he recognized that he had made mistakes and promised to do better next time.

On the other hand it became apparent from the first days of the



Congress that the Party's spokesmen were not anxious to impose a complete return to Zhdanovism, and that while reaffirming the Party's supremacy over intellectual life they wished to reassure the 'workers of the mind'. This intention to appease was reflected in the message of the Central Committee, which was read out to the Congress by M. Pospelov, responsible apparently for the Agitprop section of the Central Committee's secretariat, and which exhorted writers 'not to remain passive from the political point of view'. It became explicit in the main report on the activities of the Writers' Union presented by A. Surkov. Recalling the decisions inspired by Zhdanov in 1946—'decisions which have aided us to surmount certain dangers'—Surkov enumerated the ideological tendencies which remain 'incompatible' with a healthy Communist literature. These are: 'art for art's sake'—in other words a belief in the autonomy of art; formalism, which consists in putting the accent on purely aesthetic values at the expense of ideological content; and cosmopolitanism, interpreted as a too obvious open-mindedness towards Western influences. These tendencies are still banned, as is also bourgeois nationalism, a fault of which authors from the non-Russian Republics of the U.S.S.R. are often guilty.

But while maintaining vigilance as to the heretics of the Right, the Party's spokesman also censured the 'Left-wing deviationism' recently shown by writers in the review *Oktyabr*, heirs of the *Proletkult* tendency denounced by Lenin. He also stigmatized 'vulgar sociology', by which he appears to have meant the underestimation of the importance of form and beauty, which are sacrificed to ideological fidelity.

Between the Left and Right deviationists, the official rapporteurs, Surkov, Simonov, Runkov, Gerasimov,<sup>1</sup> Korneichuk, etc., adopted a middle-of-the-road course. They advised writers to compose original works under the vigilant eye of the 'interior editor within themselves', and to present man, as Surkov said, 'in all the richness of his complex nature', while at the same time not forgetting to 'remain faithful to the principles of socialist realism'.

The most interesting part of Surkov's speech was where he emphasized that the severe verdicts recently pronounced on the various deviationists would not be followed up by sanctions. After

<sup>1</sup> Gerasimov, who is the most famous Soviet film director, reproached his colleagues with making 'too many biographical films' displaying an 'excessive cult of personality' (the allusion is to films on Ivan the Terrible, Peter the Great, the Battle of Stalingrad, etc.). It must not be forgotten, he said, that 'the true source of history is the People'.

having duly recognized their errors, the sinners may return to the fold. This magnanimous tolerance was in contrast to the stern intransigence which characterized the advent of Zhdanov to the guidance of the Party's cultural affairs. Surkov also stressed that the reports appearing in the official press should no longer be regarded as 'verdicts without appeal'. In this call for indulgence he was joined by Ehrenburg, who quoted as typical a colleague's dictum: 'We shall be implacable in helping our comrades.' 'We can be pitiless towards our enemies,' declared Ehrenburg, 'but there is no need to be implacable about our friends. . . Discussion of a book ought not to resemble a sitting of a tribunal.'

#### SHOLOKHOV THE PROBLEM WRITER

The Congress would have ended in amity, with a general and moving reconciliation of opponents, but for Sholokhov, the greatest contemporary novelist, who shattered this peaceful atmosphere by raising his voice in protest. Taking his revenge on his detractors, the author of *Quiet Flows the Don*, who had kept silence during the debates of the earlier months, on 21 December delivered a violent attack on the 'untouchables' of his country's intellectual life. 'The torrent of colourless works now inundating the Soviet literary market is nothing short of a calamity,' he declared. 'In saying this, I am not thinking of the young authors, but of the well-known writers who, having lost all respect for themselves and their readers, are withering away as they stand, if I may so express it.'

Sholokhov took to task in particular Ilya Ehrenburg, who, according to him, is a good defender of peace but as a writer is just 'marking time'. He also reproached Simonov with 'living on his reputation as a great writer while producing only mediocre works—all the more serious since he is not lacking in talent'.

Sholokhov went on to cast doubts upon the impartiality of *Literaturnaya Gazeta*, and expressed the view that the editor of a journal so important in literary life should not be 'a man who owes his career to Simonov'. He also criticized the method of awarding literary prizes, 'equally pernicious for authors and for readers'. 'I consider,' he concluded, 'that if during the years of the civil war the workers and peasants could say: "the power of the Soviets is in our hands," we, the writers, have the absolute right to affirm that Soviet literature is in our hands and to act accordingly.'

Sholokhov's forthright intervention evoked a sharp call to order from the Chairman, the writer F. Gladkov. 'All who speak from

this platform should remember that they bear a tremendous responsibility for every word they utter. . . Interventions like this can only serve the interests of our enemies,' he declared. Nevertheless despite this reproof Sholokhov was elected—as also were A. Tvardovsky and Vera Panova—to the new Praesidium of the Writers' Union, and the text of his speech was published in the journal he had attacked.<sup>1</sup>

Sholokhov's criticisms left a profound impression on his audience, which included, besides the 609 Soviet delegates with voting rights, well-known authors, whether Communists or sympathizers, from the whole world. This emerged clearly from the statement of the Hungarian novelist Peter Veres who, when questioned on his return about his impressions of the Congress, quite frankly declared that of all the speakers Sholokhov was the one who had interested him most 'because of his courage and his love of the people and of truth'.<sup>2</sup> Veres, himself like Sholokhov a writer of peasant stock, added that he had brought back from Moscow an encouraging impression as to 'the possibilities of discussion and inspiration within the limits set by fidelity to the principles of the revolution'.

This admirably vague formula is typical of Veres's peasant shrewdness. But be that as it may, the frenzied applause which greeted the more daring passages of Sholokhov's intervention shows that something has changed, or rather has been rediscovered, in the U.S.S.R.—the taste for sincerity and courage.

True, the decisions of the Congress were ambiguous, and that ambiguity itself reflected the internal contradictions of the new leading class, the Party directorate, and the State itself. The writers left the Congress only partially reassured. But is there a possibility that the example of Sholokhov and some other opposition speakers may prove contagious? Could it be that writers, rather than resign themselves to mediocrity, will opt for a dangerous life? The whole future of Soviet literature is at stake. Many speakers expressed anxiety on the subject of recruitment of writers.<sup>3</sup> At the first Soviet Writers' Congress, held in 1934, three-quarters of the writers were under forty years of age; today the proportion is the exact opposite. In certain of the Republics, as for example in Bielorussia, there are only three writers under thirty.

<sup>1</sup> *Literaturnaya Gazeta*, 22 December 1954.

<sup>2</sup> *Snabod Nep*, 1 January 1955.

<sup>3</sup> *Literaturnaya Gazeta*, 22 December 1954.

This absence of young writers cannot be explained solely by the unwillingness of publishers and newspaper editors to publish the works of unknown authors. Fear also plays a part—the fear of a potential young author to embark on a career which is constantly subject to the threat of brutally imposed sanctions. If a literature that is not only printed but is also read is to be maintained, some modification in the conduct of literary affairs in the Soviet Union is indispensable—or at any rate a greater flexibility in the Party's methods of disciplining writers.

Malenkov favoured the 'de-Zhdanovisation' of Soviet literature—a sort of intellectual 'NEP'. On the other hand the ideas of Khrushchev, who after 8 February gained the upper hand, appear to be much nearer to the orthodox Zhdanov line. It was no doubt his influence, working through such men as Pospelov, Surkov, and Simenov, which inspired the Congress's resolutions in so far as they reaffirmed the Party's control over art. But Khrushchev himself seems to realize that a simple return to Zhdanovism is impossible in the present state of Soviet society. An indication of his probable attitude towards literature can be seen in the fact that not long after his victory over Malenkov he was present at the opening night in Moscow, on 26 February, of a play of Alexander Korneichuk, *The Wings*. This play, first put on in Kiev last autumn and since then slightly modified, condemns the kind of misdeeds and arbitrary action typical of Beria. According to press correspondents who were present in the theatre, Khrushchev ostentatiously applauded the most daringly critical passages of the play. This applause was doubtless intended to indicate that Khrushchev has no desire to break the 'wings' of reviving Soviet literature but merely wishes to guide and watch over its flight. Will this suffice to reassure the 'reformist' writers who had ranged themselves on Malenkov's side? Will not conformist writers try to take advantage of the triumph of the *apparatus* in order to proceed to a settlement of accounts with their rivals? It is too soon yet to give an answer to these questions.

F. F.

# *Unrest in French North Africa*

## ALGERIA

ON the night of 31 October–1 November 1954 something like a political earthquake took place in Algeria. From the Tunisian frontier to Oran a flash of acts of sabotage traversed the country like a lit fuse. It failed to let off an explosion, but it produced a profound shock on public opinion in Algeria and in France. The incidents themselves were not unduly serious except in the limited area of the Aurès mountains where six people were the victims of assassination. In more than thirty other places the sabotage took the form of arson—the setting on fire of petrol dumps, alfa grass, cork, and farm buildings; elsewhere there were armed attacks on various public buildings such as town halls and post offices. But the psychological effect was profound. Was it possible that Algeria, a French land, a part of the mother country, could be disloyal? Or rather, could the mass of its people, the Muslim Frenchmen, really want separation from their Christian brothers across the Mediterranean? Old habits of thought, old prejudices and accepted ideas were deeply shaken. A Frenchman's comment was: "Tout est remis en question"—"Everything must be thought out anew."

During that historic night the terrorists also distributed copies of a manifesto, which they pushed under doors, into letter-boxes, vehicles, cafés, and so on. Like most of the incendiary bombs and other explosives, it was a home-made and rather amateurish production; it was cyclo-styled and expressed itself in a language of youthful enthusiasm. The authors (they called themselves 'Front de Libération Nationale') explained that they had come to shake the Algerian national movement out of the lethargy in which it had been slumbering during years of inactivity ('immobilisme et routine'), and to rescue it from the impasse into which personal quarrels and intrigues had driven it. This was a reference to the split which had occurred last summer between two groups of Messali Hadj's Mouvement pour le Triomphe des Libertés Démocratiques. They demanded the establishment (they used the word 'restauration') of a sovereign State of Algeria and proclaimed the Unity of North Africa 'in its Arabo-Islamic setting' ('dans son cadre arabo-islamique'); they also called upon their compatriots to grasp the outstretched hand of their Arab and Muslim brothers who would help them if only the Algerians would begin to help themselves.

It may appear surprising that the nationalist agitation which has

been developing in the two neighbouring French Protectorates ever since the end of the war, and which remained at a high pitch since the first United Nations debate on their behalf in 1952, should have had no visible influence on Algeria until now. After the severe outbreak of civil rebellion in 1945, in which many French men and women lost their lives and which was put down with ruthless force, there were nine years of perfect peace in Algeria. The revolt of 1945 was, in any case, confined to the region of Sétif and was perhaps chiefly attributable to the near-famine conditions and the inflation prevalent at the end of the war. The far-reaching constitutional changes of 1946-47, the extension of French citizenship to the whole population and the establishment of an Algerian Assembly, although much criticized, had on the whole been well received by the public. French settlers, at first strongly opposed to the extension of the franchise and to the application of French labour legislation to Algeria, gradually appeared to acquiesce, and an acceptable equilibrium might have been found but for two principal reasons. The first was the rapid increase of the Muslim population and the social and political evils attendant on over-population, particularly when, as in Algeria, it is not matched by a corresponding growth of industry. The second cause was the constant national agitation kept up across the borders, together with the strong and ably directed influence of the French Communist Party which followed the organization of Algerian labour on French metropolitan lines. The Communist Party moreover exercised an important influence on the Algerian labourer who went to work in France—to him a foreign land yet which was also his own country—where it would often happen that for years he found few other friends but the Communists.

Political influences did not of course come only across the borders from the Protectorates and from France. They also came from further away, and acted strongly on the political groups and parties which had formed themselves in Algeria itself.

In each of the three French North African territories, whose problems are so similar but whose conditions are so different, there are virtually only two principal parties. One of them is orientated towards the Arabic countries of the East, strongly Islamic, with reactionary tendencies, ignorant of world affairs except as seen through the eyes of the Arab League, and with its spiritual and intellectual centre in Cairo. This is the general pattern followed by the Istiqlal in Morocco, by the Vieux Destour, and now by part of

the Néo-Destour, in Tunisia, and by the Mouvement pour le Triomphe des Libertés Démocratiques (M.T.L.D.) in Algeria. The other main party is orientated towards the West, secular, progressive, not at all convinced that the future of North Africa lies with the countries of the Middle East, and with its centre in Paris. In Algeria this tendency is represented by the Union du Manifeste Algérien of Ferhat Abbas, who has consistently striven to obtain restriction of the French settlers' influence and a corresponding extension of the share which Muslim Algerians have in running their country, while at the same time trying to preserve close ties with France. This party has conducted its struggle chiefly by parliamentary methods and has never had the mass following that Messali Hadj, with his much more primitive and emotional appeal, has been able to gather round him. In Morocco the Parti Démocrate de l'Indépendance occupies the corresponding position, although several steps behind, like everything else in Morocco except industrial and agricultural equipment and organization. And in Tunisia the corresponding group is the Néo-Destour, or rather that part of it which continues to follow Habib Bourguiba and not the anti-Western wing of its General Secretary in exile, Salah ben Youssef. As a party, the Néo-Destour follows plainly and avowedly the Western pattern in political organization and thought. It has a thoroughly French way of understanding the notions of 'patrie', 'nation', and 'état'. It is neither pan-Islamic nor pan-Arabic, and is quite up to date in its ideas on present-day democracy.

Yet a further element that enters into the situation is the new interest shown by the Soviet Union in the struggle of the North African nationalists. Since the recent disturbances in Algeria, Radio Budapest has begun to broadcast in Arabic reports and comments on the situation in North Africa, similar to those of the 'Voice of the Arabs' from Cairo. These broadcasts go out under the title of 'The Voice of National Independence and Peace'. They call to arms against the imperialist aggressor, exhort the Maghrebis of the three North African countries to 'bear arms together and march to victory together',<sup>1</sup> and for weeks after 1 November they reported that the whole of Algeria had risen against the colonialist oppressor and that the national revolution was making progress everywhere. The Moroccan 'resistance movement' is praised for its courageous acts of sabotage and assassination and spurred on to greater

<sup>1</sup> Broadcast of 9 November 1954.

efforts; while the Tunisians are warned against giving up the struggle for complete independence and accepting the shadow for the substance in negotiating for limited autonomy, and are urged not to give up the unity of the Maghreb in return for illusory promises of an autonomy which the French had no intention of keeping.

It is also interesting to note that the programmes of the Moroccan and Algerian sections of the Communist Party are in all essentials identical with those of the extreme nationalists. Madame Sportisse, Communist Deputy for Oran, speaking in the French Assembly, included in her demands the creation of a separate State of Algeria and Muslim representation in proportion to Muslim population, while the Moroccan Party has published demands for a 'democratic' sovereign State of Morocco, for a direct, secret, and universal vote, and for the subjection of French settlers to Moroccan law.

It may be conjectured that although the acts of terrorism and sabotage in Algeria were comparatively slight in themselves—always excepting the serious but localized and small-scale guerrilla warfare in the Aurès—the fact that they could happen at all served the nationalists well as a sharp jolt to the conscience of the Arabic and Islamic public of Algeria, especially the young. The idea of independence from France, hitherto pursued seriously by few, has suddenly acquired body and strength and appears to many to have moved into the field of practicable possibility.

#### TUNISIA

Another recent event in the history of North Africa which also aimed to produce a shock by its surprising *mise-en-scène* was the sudden descent of the French Prime Minister, M. Mendès-France, on Tunis on 31 July 1954, and his detailed proposals of negotiations on the subject of self-government for Tunisia. The immediate result of this move was the abrupt cessation of all acts of terrorism and sabotage in the towns and countryside of Northern Tunisia, a proof of the excellent organization and discipline of the only effective national party, the Néo-Destour. At the same time this party, through its head, Habib Bourguiba, who is living in comfortable but forced residence in France, accepted the proposals wholeheartedly and delegated four of its principal members to serve in the newly-formed Tunisian Government, freed from French control.



Almost at once counter-moves set in from the extreme wings of both sides: the Arab nationalists and the French settlers in Tunisia, and the allies of both abroad. The Arabic press did not lag behind the radio in attacking the French Government for not granting outright independence to both the North African Protectorates. It also impugned their motives: M. Mendès-France, for instance, was called by the *Bourse Egyptienne* (27 September 1954) 'Ce mystificateur aux intentions coupables!' The Egyptians, incidentally, had reason to be angry because the French Government, after protesting in Cairo vigorously but in vain against the transmissions of the 'Voice of the Arabs', retaliated in September by broadcasting the communiqués of the Muslim Brotherhood, who were proscribed in Egypt for attacking the present regime there.

On the other hand the French settlers and their 'lobby' in Paris were, and still are, raising every possible difficulty in order to impede the progress of the autonomy negotiations, and are fighting a rearguard action to save whatever can be saved of their influence and privileges. On 1 January 1955 an organization called the 'Délégation Permanente de la Collectivité Française de Tunisie' was officially formed in Tunis. It is preparing to oppose the ratification of the Franco-Tunisian Conventions if these are concluded. But it must not be overlooked that other French elements in Tunisia were behind M. Mendès-France and his policy, and in fact suggested to him the initiative which he took last summer.

Up to the French Government crisis of February 1955 the negotiations of the Franco-Tunisian Conventions were making slow but by no means negligible progress. In the financial and economic field Tunisia's adherence to the franc zone has been accepted, and agreement has been reached on the rights of private property (though the property rights of public companies, and the question of recruitment of labour and personnel by such companies, still remain problematic). The rights of civil servants and other employees of the State are to be respected, and a French Mission will probably be accepted as the authority controlling French schools and institutions and other educational and cultural activities. In the judicial field, Tunisians wish to accept French courts only for a transitional period during which Tunisian courts could be satisfactorily reformed, staffed, and firmly established. The greatest obstacles stand in the way of agreement on the General Convention which is to regulate questions of language, police, the army, and foreign representation.

Between the hostile influences on their wings, the responsible leaders of the Néo-Destour (whether in Tunisia or in France) and the French Government have been trying with really good will to reach an agreement that will prove acceptable to representative public opinion in both countries. There is, it is true, a tacit understanding that 'internal autonomy' means to the French a concession intended to be final, at least for a long time, whereas to the Néo-Destour it is no more than a stage on the way to complete independence. But that part of the Néo-Destour which takes its lead from Salah ben Youssef, the General Secretary who lives in exile in Cairo or Geneva, will already now accept nothing less than complete independence and will have nothing to do with Conventions negotiated by a Tunisian Government not acting on behalf of an absolutely sovereign State. Salah ben Youssef is credited with a firm belief in the power and efficacy of the Arab League and with a desire to conduct any negotiations with France on an international plane, with allies at his back, not as a simple dialogue between a great Power and a dependent nation. Bourguiba, on the other hand, appears to acknowledge Tunisian economic and military dependence on France, at least under present circumstances. His political future would seem to be bound up with the successful outcome of the negotiations: he himself welcomed them from the start and has constantly worked to further and speed them while his opponents denounced and retarded them.

There is, however, a hidden and unbidden guest at this banquet. Never has the word 'Constitution' been mentioned by either of the two negotiating sides. Tunisia is an autocracy, and the reigning Bey is an absolute monarch. Supposing the present negotiations were favourably concluded, and internal autonomy became a reality, it is scarcely conceivable that a Néo-Destour Government would accept the Bey's instructions in the place of those given by the French Resident-General to previous Tunisian Governments which had only to be sanctioned by the Bey. The present ruler, though in many respects an able man (he is an astronomer), has never shown any particular interest or gift for dealing with the day-to-day business of government. So, if there is not to be a Néo-Destour party dictatorship, there must be some mandate from the people, whether in the form of elections or a plebiscite or some other expression of a national or popular will. If the Bey grants a Constitution it will presumably have to be ratified by an elected Assembly; and even if he only calls a Con-

stituent Assembly, who is to stop such a parliamentary body from brushing aside Conventions, safeguards, and treaties arrived at before it itself came into being? It may even arrogate to itself sovereign powers, as other constituent assemblies have done in the past. The question of a Constitution, its shape, and the time and manner of its promulgation, is plainly of cardinal importance. Yet in the cautious and tense atmosphere of 'attentisme' prevailing in Tunis the question of the Constitution is not discussed in public.

#### MOROCCO

In Morocco there has been a political vacuum since the deposition of the last Sultan, Sidi Mohammed ben Youssef. There is a conspicuous absence of the results expected by some of the promoters of this palace revolution or *putsch*. They had proclaimed that, since the Sultan was the obstacle standing in the way of urgently needed reforms, it was only necessary to remove him for the gates to be opened to progress and to rapid social, administrative, and political development.

It is quite true that the Sultan impeded the proposed reforms because they would have abolished his position as an autocratic ruler. The reform of the judiciary would have taken away his powers as the supreme and autocratic judge of appeals; the proposed organization of labour ran contrary to his plans for Moroccan trade unions; and the political reforms were designed to give the vote to French residents as well as to Moroccans and to take out of the Sultan's hands his sovereign power of veto to any legislation. Besides, he had his own ideas on the subject of a Constitution for Morocco, and wished to carry them out independently of the French.

Although some important reforms have since been carried out, the *putsch* was a political failure, if not a disaster. The reasons are not far to seek; they lie in the character of those who actually deposed the Sultan. These Moroccan 'revolutionaries' were in fact old reactionaries whose motives for deposing their personal enemy were quite different from those of the French who aided and abetted them. Their well-founded animosity against the ruler was equalled by their hatred of the Istiqlal party to which the Sultan had tied himself; they opposed it firstly because it was the Makhzen party, secondly because it was composed of city intellectuals, and thirdly because it threatened their privileges and

religious influence. It was hardly to be expected that that most intransigent defender of his own personal rule the Pasha of Marrakesh, the chiefs of religious houses and societies led by the old and venerated head of the Kittania confraternity, and the shaikhs and caids of the Atlas tribes would wish to introduce democratic institutions of government, social legislation, and a judicial reform abolishing their own position as judges and magistrates and tribunal authorities. It was as though Henry VIII had been deposed by Wolsey and a coalition of abbots—they would scarcely have done so in order to introduce the Reformation! What was needed to make any political reforms a success was co-operation not with possibly willing but illiterate Berber tribesmen, but with the comparatively advanced Moroccan people of the towns and plains. But in the face of popular hostility and indignation at the manner in which the French authorities had tolerated and facilitated the *coup*, elections became impossible.

Nevertheless some of the planned changes were carried out. At the central seat of government the absolute power of the Sultan was broken. In the past it depended on him alone whether projected measures and decrees became law or not. This prerogative, the last and the most important of an absolute monarch, is now put into commission. A Central Council of Government and a Cabinet of appointed officials, Moroccan and French in equal numbers, and presided over by the Moroccan Grand Vizier who has the casting vote, prepares all legislation and passes it by a simple majority if the Sultan concurs. If he does not, a two-thirds majority of the Council can override him and cause the legalizing seal to be affixed to the Bills.

The reform of the judiciary is advancing slowly. Its object is to establish independent Moroccan courts of justice with professional judges in the place of the traditional courts held by local governors, the pashas in the cities and the caids in the tribes. The necessary codes of law and procedure are in existence, and the principal difficulty is to find a sufficient number of competent and trustworthy Moroccan judges capable of applying the codes.

Rudimentary democratic organization in local village government has been promoted by the French authorities for some time, and the latest reports indicate that its introduction is now advancing more rapidly. A special form of the traditional elected tribal assembly, the *Jemâa*, has been evolved to suit the customs and mentality of Moroccan villagers; this form of political development

was always opposed by the nationalists, who would have preferred a modern form of election, favouring party politics. Social work and organization among the new, lost proletariat in the shanty towns or 'bidonvilles' of the big cities also seems to be making progress.

But the political stagnation is complete, and it favours the growth of the banned Istiqlal party and the spreading of its ideas throughout the country into places and into social classes and groups that used to be little concerned with them. Previously led by French and Arab-trained intellectuals and business men, it appears now to be increasingly influenced by representatives of the artisan and industrial working classes.

The Istiqlal is much aided in its underground work by popular sentiment concerning the wrong thought to have been done to the ex-Sultan. This sentiment pervades all places and classes in the Arabic-speaking parts of Morocco, and procures sympathy for the Istiqlal among a large number of people who never used to subscribe to the political ideas of this party. Religious sentiment is another powerful aid in this direction, because the Sultan, although not the religious leader of his country, was widely respected for his Koranic learning and pious devotion, and he was, and still is zealously upheld by the clergy of the mosques, the bitter rivals of the religious houses and societies.

The saddest feature of public life in Morocco today is the acts of terrorism committed by fanatical nationalists on the one hand and by certain members of the French settlers' community on the other. Several secret societies have been formed among the French which carry out planned assaults on Moroccans whose conduct offends them, and on other French residents whom they deem to be in sympathy with the Moroccan cause. Worse still, these crimes are said in some instances to be connived at by responsible officers of the French police. They contribute seriously to the tension and frustration which is felt in the major Moroccan cities today.

Settlers and officials say—although by no means unanimously—that the French can afford to wait, since time is working for them. The boycott of French goods, it is said, hits Moroccan traders much harder than the European business community: figures published last October show that French imports into Morocco during the first eight months of 1954 were only slightly lower (1.4 per cent) than those for the corresponding period of 1953, and that

production in agriculture and mining, transportation by road and rail, and petrol consumption had significantly increased over the same period. Moreover, countless Moroccans are victims of nationalist terrorism, as against a comparatively small number of French—victims of blackmail, murder, kidnapping, extortion, or just unnerving threats and intimidation; and the religious life of the country is gravely disturbed because the clergy, whether from conviction or under pressure, are generally unwilling to recognize the new Sultan, and therefore in many mosques the Friday prayer is not said at all since attempts to say it in the name of the old Sultan are severely punished. This means much more to Moroccans than it would mean to Algerians, or even to Tunisians. Whether these trials and sufferings of the population will reflect to the advantage of the French remains to be seen.

What militates most strongly against the French position is the lack of stable government in France and consequently not only the weakening of French credit and prestige, but the lack of a clear and reliable political policy. To a much too great extent affairs in all three North African territories have come into the hands of the administrations who have been applying *administrative* policy, often with excellent results, but whose *political* policies have for the most part been either non-existent, or unrealistic, or reactionary. M. Mendès-France's Government was the first after many years to have a policy that was both practical and progressive and to possess the determination to try to carry it through. The effect of this experience, even though it was a short one, is almost bound to be beneficial.

E. A.

## *Bolivia's Revolutionary Regime*

### *Political and Economic Developments*

AMONG the Latin American countries with a predominantly Indian population, Bolivia and Guatemala stand out as the only ones—apart from Mexico, where reforms are of long standing—which have in recent years made serious efforts to achieve economic

independence and to carry out extensive social reforms. Since the fall of Colonel Arbenz's Government in Guatemala last year, Colonel Armas has pursued a less advanced policy there. Bolivia alone is carrying on with her full revolutionary programme. That programme was inaugurated after the revolution of 1952,<sup>1</sup> and in the same year the tin mines were nationalized, and land reform was introduced during 1953.

While Guatemala's efforts had for some years been the subject of criticism in the North American press, U.S. comment has on the whole shown greater lenience towards the 'revolutionary' Government in Bolivia which since April 1952 has been pursuing similar aims—aims which can be summed up in the words 'Tierra e Libertad', and which Emiliano Zapata had caused to triumph in Mexico thirty years earlier. One such comment, for example, has admitted that the big landowners, industrialists and mine owners were largely responsible for the present situation. 'By preserving the old caste system and neglecting the interests of Bolivia's poverty-stricken majority, the old guard certainly invited the deluge.' It is also worth recalling that Dr Milton Eisenhower, the U.S. President's brother, stopped at La Paz in the course of his South American tour in the summer of 1953. The upshot of the friendly conversations which he then held with President V. Paz Estenssoro was the present plan for economic co-operation between the United States and Bolivia.

Since then the American press has shown exceptional understanding in discussing Bolivia's financial difficulties, and the agreement reached with the United States for deliveries of 10,000 tons of Bolivian tin, the country's main source of wealth, has helped to avert the economic situation in 1953. Moreover in her agricultural development programme Bolivia is receiving considerable aid from Washington under Point IV: the U.S.A. has sent both technical experts and tractors and other agricultural machinery to assist in opening up the undeveloped regions in the east. In 1954 the Foreign Operations Administration sent Bolivia food supplies worth the value of \$12 million, and a further \$9 million worth has been forecast for 1954-5.

Though the Bolivian and Guatemalan revolutions both started from the same initial impetus, their paths soon separated. What

<sup>1</sup> See 'The Nationalist Revolution in Bolivia', in *The World Today*, Nov. 1952.

<sup>2</sup> A. T. Steele, in the *New York Herald Tribune*, 11 February 1954.

Guatemala Colonel Arbenz's regime moved increasingly leftwards in search of the support which it failed to find among the more moderate elements,<sup>1</sup> Bolivia's revolution seems instead to be tending towards the Right.

The manifesto of the *Movimiento Nacionalista Revolucionaria* (M.N.R.), the Government party of President Paz Estenssoro, was first issued as a leaflet by a leading party member, Dr Walter Guevara Arze,<sup>2</sup> in 1946. It recognized that 'Bolivia cannot defy the international bourgeoisie . . . Bolivia is a country which is dependent to an almost inconceivable extent on outside circumstances. We have to import a third of our food supplies, and our whole economy depends on the fluctuations of the international market in raw materials.' While in the domestic sphere Dr Estenssoro's Government did not hesitate to defy the 'tin barons', he appears to have reflected sufficiently deeply on the reasons for the failure of the Guatemalan experiment to avoid adopting an extremist attitude on the international plane. Like General Perón, with whom he is closely allied, he has doubtless realized that not all things are possible, and that the Latin American Governments, whatever their nature, must to an ever increasing extent take into account their economic situations, which compel them to govern in a realistic fashion that may run contrary to the aspirations of the masses. Whatever their feelings of resistance *vis-à-vis* United States 'hegemony', their geographical situation and their crying need of capital and technical aid compel these Governments to maintain and even strengthen their economic ties with the U.S.A. Thus in the face of hard day-to-day reality the Bolivian revolution has become considerably modified and tempered with wisdom.

#### ECONOMIC DEVELOPMENT AND EXTERNAL AID

When in mid-1953 the Indians of Cochabamba showed signs of wishing to advance more rapidly than the land reform plans would allow, Juan Lechin, at that time Minister of Mines, Fuel, and Power and the all-powerful head of the Left-wing miners' trade union (*Confederacion Obrera Boliviana*), was told by President Estenssoro to moderate the revolutionary ardour of the *campesinos*. His resignation at that time was not even considered. The political crisis of October 1953 brought home to Estenssoro the possible

<sup>1</sup> Cf. *A New Day in Guatemala: A Study of the Present Social Revolution*, by Samuel Guy Inman (Wilton, Worldover Press, 1953).

<sup>2</sup> Now Foreign Minister.



danger of an attempt at restoration which would have the support of the big landowners and which might eventually prove agreeable to Washington. Two years earlier Bolivia had been the centre of violent anti-American propaganda. But the expropriation of the three big trusts, Aramayo, Patiño, and Hochschild, brought with it serious economic difficulties for the Government which threatened its very existence. Tin production fell from 33,664 tons in 1951 to 32,472 tons in 1952, the year of nationalization,<sup>1</sup> and the Korean armistice, followed by the end of the boom in raw materials, further increased the country's financial difficulties. The Budget deficit reached \$14 million.

True, Bolivia had always been a country of high production costs. The tin mines are situated in the interior, in some cases at altitudes of 12,000 feet. The old mines were exploited without much consideration for the workers, and the accident rate was the highest in the world. But the benefits brought by the new social legislation considerably increased production costs, leaving very little margin for profit: in 1953 tin cost a dollar a pound to produce, while the price fell from \$1.21 to 75 cents. Those who had foretold that the nationalization of the mines would bring chaos and ruin seemed to be proved right. Faced with this situation, the Government was forced to climb down and adopt a less rigid policy. In September 1953 an agreement was signed with the Reconstruction Finance Corporation for the purchase of 10,000 tons of tin at \$1.25 a pound.

Till recently Bolivia's wealth had been thought to lie almost exclusively in a single commodity, tin. But Dr Estenssoro hopes that 1955 will mark a turning point and that oil, to be developed with assistance from American investment, will in the future become an important source of foreign exchange. In 1953 Dr Estenssoro's Government ceded 970,000 acres of land in the Chaco to an American company prospecting for oil, the Standard Oil Company of California, and towards the end of that year machinery was imported from the U.S.A. which was to make drilling possible to a depth of 3,650 metres. According to national financial experts petroleum exports should soon earn \$6 million a year. The Foreign Minister, Walter Guevara Arze, recently stated that the value of total exports in 1955 should amount to \$107,600,000, of which 90 per cent would be earned by minerals. Contracts for Bolivian oil have already been signed with Brazil,

<sup>1</sup> It rose again, to 35,384 tons, in 1953.

Argentina, and Chile, and there is a prospect of further contracts being signed with Paraguay and Peru.<sup>1</sup> The opening early in January of the final 423-mile section of the railway between Bolivia and Brazil is expected to spur oil production and attract a large flow of immigration to south-eastern Bolivia. It completes a rail-highway system running right across South America from Arica on the Pacific to Santos on the Atlantic. Its construction was financed by Brazil, to be repaid in part with supplies of oil from Bolivia. At Corumba the railroad joins the line which runs eastward through Brazil for 1,250 miles, thus providing a link between Bolivian oil fields and South America's industrial centre in Sao Paulo and its port of Santos. In order to facilitate deliveries under the agreement with Argentina, Williams Brothers of Texas is scheduled to complete construction of a 6-inch pipe line running from the Camiri oil fields to the Argentine border. Bolivia's oil sales will be able to purchase \$5 million worth of Argentine meat without touching her small dollar account.

The acceptance of the tin agreement, which might seem to be a veiled revival of American intervention, was violently criticized by the Left wing of the M.N.R., as well as by the miners' trade union, the C.O.B., and by a Marxist group, the 'Partido de Izquierda Revolucionaria' (P.I.R.). But Washington emphasized that the fundamental aim of the tin agreement was to aid Bolivian economy, and Dr Estenssoro's Government, in exchange for this assistance which had saved its life, promised to put an end to anti-American propaganda. American agencies for economic co-operation, among them the MacGruder mission, found the Government ready to collaborate; and the U.S. Ambassador at La Paz, Mr Edward Sparks, and the F.O.A. representative in Bolivia, Mr Oscar Powell, played an important part in this new policy of conciliation. It was on the latter's initiative that, in view of the agricultural crisis, the U.S.A., as has already been mentioned, sent Bolivia \$12 million worth of foodstuffs in 1953-4. Following a system similar to that adopted under the Marshall Plan, these goods were sold for bolivianos to Bolivian importers, at prices lower than the current national ones, and the proceeds were collected in a special fund for the financing of the country's major development projects such as the development of the east, the irrigation systems, and so on.

In the face of the Government's new attitude its relations with

<sup>1</sup> *New York Times*, 5 January 1955.

the leader of the miners' trade union, Señor Juan Lechin, worsened. He had for some time threatened to resign on the ground that his loyalty was due first and foremost to his workers. But Dr Estenssoro had always persuaded him to remain, for his presence in the Government was a guarantee for the control of the traditionally recalcitrant miners. The truce came to an end in October 1954 when Señor Lechin decided to leave the Cabinet, two less prominent trade union leaders taking on his posts. It will be recalled that Señor Lechin had played an important part in the nationalization of the tin mines; and as the embodiment of the M.N.R. Left wing he had been the subject of lively criticism, particularly in the United States. In the words of a comment in *Le Monde* (Paris, 11 October 1954), 'his departure from the political scene, were it to be permanent, would mean a definite moderation of Bolivian policy in relation to the United States'.

The new tendency was still further demonstrated in a press interview of President Estenssoro's in November.<sup>1</sup> In it he declared that the Miners' Federation's request for the nationalization of the hitherto British-owned railways would not be granted: 'Our policies of nationalization are limited and our past actions have not established a pattern. We want the impelling force of foreign capital in our economy, and we want to establish a climate which will attract private capital in mining activities, in the oil fields, and in industries associated with agriculture. . . The Workers' Federation is not the Government.' The President added that his regime had reached the critical point in its economic policy and the constructive phase was just beginning. At the same time he made mention of the valuable iron mines of El Mutun and in inviting American and Belgian capital stressed that this was the best form of co-operation for the country's development. A few weeks later President Estenssoro, speaking in Santa Cruz at the opening of the final stretch of the new Bolivia-Brazil railway, said. 'To those who demand the nationalization of all industries, I say that it would be tantamount to nationalizing misery. We are carrying out a nationalist, not a Communist, revolution.'<sup>2</sup>

#### THE CREATION OF A NEW PARTY

A growing contrast is developing between the doctrines of the M.N.R., tending towards a left-wing radicalism, and the moderate

<sup>1</sup> *New York Times*, 25 November 1954.

<sup>2</sup> *New York Times*, 4 January 1955.

policy of its leader Dr Estenssoro. Nevertheless, certain M.N.R. leaders still profess Marxist attitudes, and although the anti-clerical campaign is now on the decline Señor Juan Lechin did not hesitate, even when still in the Government, to attack the Archbishop of La Paz.

The existence and activities of the P.I.R. and the *Partido Obrero Revolucionario* (P.O.R.) continue to give a Leftist slant to the Bolivian political movement. While the M.N.R. appears divided between its definitely demagogic programme and a policy of increasing moderation which it cannot defend too openly because of the anti-Americanism of the masses, a new party has recently been created which has given more precise definition to its political creed. This is the *Partido Social Cristiano*, and it claims to be both anti-capitalist and anti-Marxist. It aspires to become 'the organized vanguard of a movement for the total emancipation of the proletariat and for effective action to bring about profound changes based on humanitarian ideas, expressed in plans which are realistic and at the same time scientifically revolutionary.'<sup>1</sup> The P.S.C. does not intend to make use of religion as a direct political weapon; it is independent of the clergy, and proposes to adopt a new central position; while anti-Communist and anti-Marxist, it supports both the application of land reform and the campaign for the education of the Indian masses. Finally, it proposes that the control of the mines should be handed over to the workers organized in co-operatives.

It is difficult to foresee how a Christian-Social party can play an important part in Latin America, but it may be that the support which the P.S.C. will undoubtedly receive from the U.S. Embassy in Bolivia may enable it to act as a link which will reconcile the country's present economic needs with the President's efforts towards moderation within his own party.

#### TIERRA Y EL HOMBRE—THE LAND AND THE PEASANT

According to a monograph published by CEPAL in 1951,<sup>2</sup> Bolivian agriculture is in a static condition which for the past twenty-five years has prevented it from providing enough either in quantity or in variety to satisfy the country's growing food needs. In order to supplement the deficiencies of national production Bolivia has had recourse to expensive imports of foodstuffs which

<sup>1</sup> Cf. *Estudios Americanos*, Seville, August-September 1954, pp. 213-14.

<sup>2</sup> *El desarrollo agrícola de Bolivia*, CEPAL, Mexico, 1951.

between 1945 and 1949 accounted for 38·5 per cent of her total imports, and which in 1953 cost the country over \$34 million.

There is no doubt that the system of land tenure has been one of the main causes of this insufficiency. According to the CEPAL report, large estates (*latifundia*) cover the greater part of the cultivated area. But there is a good deal of regional variation. In the high plateaux large estates predominate, though with a few small-holdings: 2·9 per cent of the landowners possess estates of between 1,000 and 2,500 hectares, 23 per cent have estates of 2,500 to 6,000 ha., 34 per cent estates of over 6,500, and only 14 per cent own less than 1,000 ha. In the region of the valleys and eastern plains *latifundia* also predominate: in the province of Pando, as big as the whole Republic of El Salvador, all the cultivated land belongs to a single proprietor. In the central valley of Cochabamba, on the other hand, excessive fragmentation of land is the problem.<sup>1</sup>

In general, estates cover the same area as in pre-Republican days, and it is not unusual to find properties of ten, twenty, or thirty thousand hectares. The number of hectares cultivated per head of the working population is 0·37 in Bolivia, as against 1·9 in Brazil, 2·4 in Chile, and 2·5 in Mexico.<sup>2</sup>

From the foregoing it will be seen that the inadequacy of agricultural production, taken in conjunction with the highly precarious conditions of life of the Indian peasants, made a reform of this system of land tenure a prime necessity.<sup>3</sup> Nevertheless, the M.N.R. did not put agrarian reform in the forefront of its programme. For some time President Estenssoro tried to confine himself to the application of decrees issued by Colonel Villaroel in 1943. These decrees abolished certain forms of feudal exploitation, fixing the nature and precise term of the domestic services (*pongulaje* and *mittanaji*) to be performed by the Indians in return for the plots of land (the *sayanas*) which the landowners permit them to cultivate for their own use, establishing the rate of wages for supplementary services, and compelling the big landowners to open schools on their domains.<sup>4</sup>

<sup>1</sup> Cf. *Estudios Americanos*, Seville, August-September 1954, pp. 217-228

<sup>2</sup> Cf. *La Economía Agraria de América Latina y el Trabajador campesino*, by Prof. Moisés Poblete Troncoso. Ediciones de la Universidad de Chile, Santiago, 1953, pp. 74-6.

<sup>3</sup> Cf. *Land Reform and Progress in Land Reform*, U.N., Department of Economic Affairs, 1951 and 1954.

<sup>4</sup> Cf. 'Land Tenure in Bolivia', by David Weeks, in *Journal of Land and Public Utility Economics*, August 1947, Vol. XXIII, No. 3.

While the nationalization of the mines was approved by 99 per cent of the M.N.R., this was not the case with the land reform. Though the agrarian situation was critical, there has never been a *huelga* in Bolivia. This was probably because the major pressure is concentrated on the mines, since tin production was more important than agriculture for the national economy. The C.O.B.'s agitators had to go up and down the countryside rousing the peasants before they even began to move—though the miners and peasants are frequently not of the same racial group. For the extreme Left of the M.N.R., the essential thing was to attach the small cultivators to the revolution; the land reform was only a part of a huge strategic effort aimed at creating a class of small landowners whose interests would be closely bound up with the survival of the *status quo*, and who might form the basis of the M.N.R.'s future militia. Some observers affirm that certain groups of peasants have already been given arms for this purpose.

After the nationalization of the tin mines on 31 October 1952, President Estenssoro found himself practically forced to take steps to settle the agrarian problem. By a decree of 20 January 1953 he set up a Commission charged with the drafting of the land reform. This Commission consisted of twelve members, six from the M.N.R., four Marxists, one member of the P.O.R., and one from the ranks of Catholic Action. On 28 July 1953, after numerous consultations with the Banco Agrícola and the Agrarian Technicians' Association, the Vice-President of the Republic Herman Fajardo Zuazo, who had acted as the Commission's chairman, presented the draft to President Estenssoro, and on 2 August, at Pucallpa, near Cochabamba, the decree was signed.

The law, which included 176 articles, proclaimed the abolition of slavery and the redistribution of land to those who worked on it. After four centuries of oppression the Indians were to recover their land. It is worth while quoting two of the law's most important articles. Article 30 (para. 2) states: 'Latifundium is hereby abolished. The existence of large corporative agricultural estates will not be allowed, nor will the concentration of land in the hands of a few people and of bodies which by their juridical structure impede the fair distribution of the land among the rural population'. Article 144 (§10) states: 'The system of colonization is hereby abolished as well as all other forms of compulsory labour, paid or unpaid. The agricultural labourer is henceforth incorporated into the structure of the legal social services of the State with all legal

rights.' Thus the law, clearly drawing its inspiration from the Mexican land reform, restored to the Indian communities the lands of which they had been despoiled. At the same time it stipulated the need for modernization and mechanization in agriculture.

The reform took some time to put into effect, and it was not till March 1954 that the *Servicio Agrario*, or Land Reform Organization, really began to operate. Its head, Eduardo Arze, is not a member of M.N.R. but a qualified technician, and he had as his assistant a Mexican, Edmundo Flores, who was a member of the American Technical Aid Mission. Mindful of the errors of the National Agrarian Department in Guatemala, the Bolivian land reform organization has preferred to move slowly,<sup>1</sup> choosing with care certain pilot-areas as models for the general distribution of land. Apart from some incidents round Cochibamba and Lake Titicaca no violent protests were aroused, and there has hitherto been no perceptible decline in agricultural production. Last summer President Estenssoro claimed that following the splitting up of the big estates and the redistribution of land there were now some 2½ million owners of land, and more than 140,000 title deeds had already been granted.<sup>2</sup>

The reform has not been envisaged solely from the point of view of land redistribution. Though the lands distributed, and the majority of the population, lie in the west among the high plateau of the Andes, the most fertile regions are in the lower and more temperate region known to Bolivians as 'El Oriente'. The Government is at present engaged in a veritable 'march to the East'.

Two problems have made its task more complicated. The first is the question of communications with the west. In the face of considerable difficulties a new highway has recently been constructed to traverse the mountain ranges between Cochabamba and Santa Cruz de la Sierra, the capital of Santa Cruz province. This road, which can be used in all weathers, stretches for 311 miles across country sometimes reaching heights of 12,500 feet.

The second problem concerns the population. Some 75 per cent

<sup>1</sup> The Minister of Rural Affairs, Dr Nufleo Chavez, stated in a recent interview (*U.S. News World Report*, 7 January 1955). 'Before drawing up this law we made a careful study with the help of U.N. experts, because we wanted to avoid the mistakes made in Mexico and in Guatemala. In Mexico peasants were given communal use of land but not the title to it. In Guatemala the Government became the landlord. Under our law the peasant becomes the owner, except where groups of Indians prefer communal ownership.'

<sup>2</sup> Cf. *Hispanic American Review*, November 1954.

<sup>3</sup> It was declared open on 28 September 1954 by Mr Henry F. Holland, the U.S. Assistant Secretary of State for Inter-American Affairs.

of the Indians live in the west on the high plateaux, and they are naturally very unwilling to come down to the low tropical regions where they are afraid of contracting diseases. The Government plans to transfer to the east the 7,000 miners at present unemployed, offering them free transport and 50 ha. of land each. In addition to the plan for transferring Indians from the high plateaux, it is also proposed to open up the east to immigration from outside Bolivia, and some Japanese families from Okinawa are already established there. A group of Swedish families are soon to be installed at Villa Montes, and an international mission recently studied the possibility of sending groups of displaced persons to the east of Bolivia, a project reckoned to cost \$5 million. For the time being the Government is concentrating on the encouragement of agricultural production all along the highway, and is giving assistance, with the help of 'Point IV' technicians and machines, to the peasants already living there.

#### THE FUTURE OF PRESIDENT ESTENSSORO

In his discussions with the American authorities President Estenssoro has made use of the danger of a Communist *coup d'état* in order to obtain a better price for tin as well as the acceptance of a new Bolivian nationalism and of the agrarian reform. In exchange he has had to moderate his anti-American policy; here the change in the attitude of the Bolivian delegation to the United Nations is significant. Since the crisis in Guatemala President Estenssoro has observed an unusual silence on that subject: he was associated by personal ties of friendship with several Guatemalan 'intellectuals' who upheld Colonel Arbenz's regime, and in particular with the well-known writer Miguel Angel Asturias, author of *El Señor Presidente* and formerly Guatemalan Ambassador in San Salvador.

All this does not mean that the M.N.R. is completely secure. True, in the opinion of some qualified observers, it seems likely that at present free elections would give a 90 per cent vote to Dr Estenssoro. The Right is completely muzzled, and the army has no longer any political significance. A return of the exiles, after the fashion of Castillo Armas in Guatemala, seems highly unlikely, and the neighbouring countries of Argentina and Brazil are well disposed towards Dr Estenssoro, whose diplomacy seems at times to be modelled on that of President Perón. Trouble is more likely to come from the Left, uncontrolled since the resignation of Juan



Lechin. The trade unions have failed to obtain the increase in wages for which they asked, and for which the President told them they must wait at least till 1958. Between now and then, the unknown factor is the extent of Señor Lechin's ambitions. For the time being, C.O.B. agents are carrying on considerable underground activities among the workers' and peasants' organizations in which they are eliminating lukewarm members from the most important posts. Finally, the new *Partido Social Cristiano* is not to be discounted and may well play a moderating role through its contacts with Washington.

Whatever the future may hold, Dr Estenssoro's Government has already displayed unaccustomed stability in a country which has experienced 129 revolutions since its independence. It is probable that his most direct competitors may come from among his own colleagues—from such men as Nufleo Chavez, the new Minister for Rural Affairs, or Victor Andrade, Ambassador to the United States. According to the law, Dr Estenssoro should relinquish his office in April 1956, but despite the President's repeatedly expressed wish to withdraw then there is a widespread desire that he should remain in office till 1960.

In the economic sphere President Estenssoro's Government has shown an enthusiasm for work and a desire to carry out its plans which are rare in Bolivia. If he succeeds in effectively controlling the application of the land reform and in improving the efficiency of his administration at both the higher and the lower levels, he has every chance of remaining in power for many years. In any case he has acted in such a way that it will be difficult for his successors to put the clock back.

I. B.

کتاب خانہ جامعہ اسلامیہ دہلی

# THE WORLD TODAY

Volume 11 No. 5 May 1955

\*

## Notes of the Month

### *Quemoy and Matsu as seen from Washington*

THREE months ago President Eisenhower asked a willing Congress to authorize him to use American forces to defend Formosa and, if necessary, the islands of Quemoy and Matsu off the Chinese coast, in order to give a clear warning to Communist China of the penalties of aggression. What the President in fact did was to open a confused debate about whether the United States would, or should, start an atomic war over these off-shore islands. The discussion revealed the differing points of view among the President's military and diplomatic advisers, among the members of his own Republican party, and among America's allies. The latter, with of course the exception of Nationalist China, at least seemed to be in general agreement among themselves that Quemoy and Matsu were not essential to the defence of the free world and were not the place on which to take a decisive stand against the Communists.

In the fog of ambiguous and ominous official statements it took the American people some time to realize that they might be on the brink of war. By the time they did, it was becoming obvious that President Eisenhower himself was on the side of the moderates—as should not have been doubted. And it is he, and he alone, who must take the final decision. His position has been strengthened by Mr Adlai Stevenson, the Democratic leader, in a broadcast which pointed out that the United States was in danger of becoming involved in war with China without either the moral or physical support of its allies. Mr Stevenson thus rallied the great peace-loving majority of Americans behind the President. But it should not be overlooked that in the process Mr Stevenson also, as he was well aware, made a useful political case for the many Democrats who had quickly regretted the unquestioning support given in January to the original resolution by their congressional leaders. If, as now seems possible, hostilities do not break out

over Quemoy and Matsu, much will be heard of how the crats saved the country from a Republican war, and of the done to American prestige abroad by the inept Republican ling of the affair.

### *Politics and the Presidential Election in Italy*

FOR weeks before the two Houses of the Italian Parliament with delegates from the Regional Parliaments, 1 28 April to elect the new President of the Republic, discussion been going on as to who should be the candidates. This is o third time that such an election has been held in Italy. A plebiscite of June 1946 which brought the monarchy to an elder statesman Senator De Nicola was elected Head of the and in 1948, when the introduction of the new Constitution fresh election necessary, the eminent economist Professor Einaudi was chosen and embarked on the seven-year t office which is just ending.

The search then, as now, was for a man of the necessary au and stature who could stand above party politics; and i fessor Einaudi, a Liberal by conviction but with a range of far beyond the intricacies of party strife, the nation found a sentative with just the qualifications and temper needed to the Republic during its difficult early years. But in the me party tension has increased, while with the passing ye choice of elder statesmen free from any association with t decades of Fascism has inevitably dwindled. The seven y President Einaudi's term of office have witnessed the d many outstanding figures of pre-Fascist days who re-e after 1945: Orlando, Croce, Nitti, Bonomi, and Sforza, to n only the most eminent—as well as Signor De Gasperi himse before his death last year had frequently been spoken o possible future President of the Republic. The gap is o strated by the fact that among the possible candidates mer was Signor De Gasperi's immediate successor as Prime M Giuseppe Pella: still in his early fifties, he refused on the that he was 'troppo giovane per esser giubilato' ('too youn put on the retired list').

In the circumstances, it even seemed possible that Pr Einaudi might, despite his eighty-one years, consent to again; and his candidature was favoured by a wide range c opinion, even including the Communists. But whoever t

President may be (and he may have been chosen by the time these notes appear), there is no doubt that the political discussions engendered by the election will not end there. It marks, indeed, only a pause, an inevitable interlude, before the parties embark on the more fundamental 'clarification' of the political situation which has been felt to be necessary for some time.

Contrary to its opponents' expectations, the Centre coalition Government under the Christian Democrat leader Signor Scelba has succeeded, despite its tenuous parliamentary majority, in remaining in office since February 1954. During that time it has embarked on several of the measures of domestic social reform to which it was pledged, and further progress in this direction is promised under the ten-year economic development plan announced last January by the Budget Minister, Signor Vanoni, with the express aim of providing a long-term solution of the unemployment problem. In foreign affairs, with the Trieste question at last settled and with her partnership in Western European Union established, Italy feels that she can play a more positive part in the international scene.

This successful record was a considerable asset behind Signor Scelba when he and his Foreign Minister Professor Martino visited the United States at the end of March. But before he left there had already been signs of cracks in the coalition façade, particularly on the controversial leasehold land tenure question, concerning which the Liberals, and to a lesser degree the Social Democrats were strongly critical of the compromise solution which Signor Scelba sought to impose, while the small Republican Party hitherto a staunch member of the four-party coalition, actually withdrew its support.

The dispute was temporarily patched up. But when Signor Scelba returned from the U.S.A., well satisfied with the results of his visit but more than ever convinced of the need for political stability ('Italy's most treasured possession', as he described it '... on which depends the confidence of the free world'), he found that in the meantime another source of tension had arisen. At the Socialist Party Congress held in Turin early in April Signor Nenni had revived in more serious form the question of the Government's 'opening towards the Left' (i.e. of collaboration between the Centre parties and the Nenni Socialists) which had already been mooted after the 1953 Election; it had then been discarded because of the patent impossibility of detaching the Socialists from their alliance

with the Communists. True, Signor Nenmi still declined formally to repudiate the Socialist-Communist 'unity of action' pact; but he now spoke of Socialist 'collaboration with the Catholic masses' and of co-operation in carrying out the Vanoni Plan. Though the offer could plainly not be accepted as it stood, it aroused a new ferment among those Left-wing Christian Democrats and Social Democrats whose ambition had always been to bridge the gulf between themselves and the Socialists.

Though the four-party Centre coalition is showing signs of wear, it still appears to many to be the only possible pattern of government in present circumstances, when a swing either to the Left or to the Right might well provoke more difficulties than it would solve. But it is generally felt that the various points of disagreement between the coalition parties, and within the Christian Democrat Party itself, must be 'clarified' with a view to broadening the basis of the Government; and to that end discussions are to be initiated after the Presidential election. But yet another hurdle has to be met before any change is likely to be made: on 5 June elections will be held for the Sicilian Regional Parliament; and this will provide the first real trial of strength for the parties since 1953.

### *School Segregation in the United States*

THE Supreme Court of the United States is about to announce how and when racial segregation is to be ended in the country's publicly-supported schools. It is a year since the Court decreed, in one of its historic decisions, that the constitutional guarantee of equality to all citizens could no longer be satisfied by the provision of separate educational facilities, even if they were of equal standard, for Negro children. But the Court recognized that the deep-rooted traditions and prejudices of the South, where school segregation is required by state law, made the application of this decision difficult and dangerous. The Court therefore allowed time for consideration.

This partly explains why a decision which means a social revolution was received with comparative calm. The other reason was that in fact the Supreme Court had merely given a strong push to a revolution that had already begun. As a result racial segregation, almost unknown in any case in the North and West, has now disappeared, or is on the way to doing so, from the schools of the national capital (where nearly 60 per cent of the children are

Negroes) and from border states such as Missouri and Maryland.

But what were only a few isolated examples of organized protest in these places may become a regular pattern when the Court's decision is applied to the real South. At the Court's hearings in April on the implementation of its decree, the representatives of southern states contended that 'the attitudes of the people' made school integration practically impossible there, at least during the present century. In any case, they maintained, the Federal Government had no right to interfere in school administration, a matter habitually left to state and local authorities and to the parents of the children concerned. To the argument that the records proved Negroes to be intellectually inferior to whites, the Negro lawyers replied that it was an inferiority created by educational segregation, which should therefore be ended immediately. The spokesmen for the Federal Government took a middle road, proposing that local authorities should be required to draw up plans for ending segregation, to be approved by district courts which should be given wide discretion as regards timing, but should be subject to supervision by the Supreme Court.

Several southern state legislatures have already taken steps to evade the Supreme Court's decision. It is unlikely that any of these attempts could stand up in the courts but, whatever the final decree from Washington, there seems no way to avoid a long period of delaying action and depressing litigation in the South. So far no one appears to have considered, publicly at least, what will happen if local disregard of the Supreme Court's decision proves stronger than legal attempts to enforce it.

## *The Hard Road to an Austrian Treaty*

SELDOM can a diplomatic journey have changed a political situation so profoundly—and, it is to be hoped, for the better—as did the journey to Moscow on 12–15 April of an Austrian Government delegation headed by Chancellor Raab. For the first time in ten years Austrians have been celebrating the anniversary of their liberation from the Nazis with hope in their hearts: hope for a State Treaty which would restore Austria's sovereignty and freedom as promised in the Moscow Declaration of November 1943, and would end the indignities, pressures, and risks of the occupation regime. The multitudes who welcomed the delegation back to Vienna had only had a broadcast message from the Chancellor: 'We shall be free again'; but when the terms of the agreement were announced the full success of the mission seemed evident. Subject to the concurrence of the three Western Powers, Austria is to be evacuated by 31 December at the latest, and Russia is to return the so-called German assets in Eastern Austria, including the Danube Steamship Company and the oil wells, against deliveries of goods to the value of \$150 million. Austria for her part reaffirms her pledge not to join any military alliance nor to allow other Powers to establish bases on her territory. To Austrians in all walks of life it seems a very good bargain, and the manifestations of national unity which one could observe during the last few weeks augur well for the future.

### BACKGROUND TO RECENT DEVELOPMENTS

Whatever Russia's motives may be for this apparent magnanimity, the fact remains that until now it had been her policy to deny Austria a State Treaty, whereas the Western Powers have been sympathetic and helpful throughout the past eight years. In nearly three hundred meetings, first of the Foreign Ministers and then of their Deputies, differences between the Russian and the Western standpoints were narrowed down and several times agreement seemed in sight, but at the last moment the Soviet representative would produce some irrelevant excuse—Yugoslav frontier claims; Austrian debts for relief shipments; the Trieste problem; German rearmament, and so on; and Austrian hopes were dashed once more.

This technique was repeated at the Berlin four-Power Conference in January 1954 where the problems of Germany and

Austria were under discussion. Ostensibly the conference failed to reach agreement on the Austrian Treaty on the issue of the evacuation of foreign troops. Originally Austria had asked for their withdrawal as soon as the Treaty should come into force, but at Berlin she had offered the compromise date of 30 June 1955, though without abandoning her contention that there was a 'direct and indissoluble connection' between the signing of the Treaty and the departure of the troops. The Soviet Union, however, refused to agree to any fixed time for the evacuation and insisted that it depended on the signing of a German Treaty, and this remained its attitude for the next twelve months.

On 12 August the Soviet Government sent a Note to Vienna inquiring what Austria's reactions would be to the holding of a conference in Vienna by the Ambassadors of the four occupying powers, 'jointly with the representatives of the Austrian Government . . . (to) examine the remaining unsettled questions concerning the draft State Treaty'. The Austrians replied, though not before 12 October, that they would be prepared to participate, and on 23 October Mr Molotov handed the Western Ambassadors in Moscow a Note dealing with his proposed 'General Treaty of Collective Security in Europe' and adding that the Soviets were still 'unaware of the point of view' of the Western Powers on the Austrian Treaty.<sup>1</sup> This was surprising, for on 10 September the West had once more urged Russia to sign the Treaty on terms which were by now well known. If, however, the Soviets were sincere in their proposals and only needed a face-saving formula, one was provided by the then French Premier, M. Mendès-France, in a speech in the U.N. General Assembly on 22 November. Like the Western Note, he made no reference to the proposed conference, but adroitly suggested a time-limit of eighteen months to two years for evacuation of Austria after a State Treaty had been ratified, instead of the ninety-day limit provided for in the present draft, which the Russians seemed to think was too short a time. In addition, they could devise a system of progressive evacuation. If the Austrian Government were agreeable to these proposals, he said, would the Soviet Union be willing to sign? There was little doubt that the Austrians would indeed have been agreeable; Chancellor Raab, then visiting the United States, had had a long conversation with M. Mendès-France before the speech was made, and his comment was that ninety days was ample time for

<sup>1</sup> *Soviet News*, 26 October 1954.



the evacuation, but that what really mattered was that there should be a fixed date. In Vienna the Vice-Chancellor, as acting Head of the Government, indicated his approval by pointing out that the proposal was on the same lines as the suggestions made by Austria at the Berlin Conference.

At a press conference in Washington Chancellor Raab had dismissed the proposed talks in Vienna as pointless unless the Soviets were prepared to subscribe to 'the main purpose of the Treaty, namely the evacuation of all foreign troops'. He also scotched the rumour—'which did not originate from Austrian sources'—that Russia might be satisfied if given permanent bases in Austria: 'We reject such military bases just as we reject the continuing occupation'.<sup>1</sup> He must have been gratified to obtain yet another pledge from the West when President Eisenhower assured him that the evacuation of Russian troops had to be unconditional and that the Treaty would not be allowed to contain any clause permitting them to return 'in certain circumstances'.

In the meantime the Soviet Government had sent out its invitations to the Moscow Conference on Collective Security in Europe and was now collecting refusals from all the Western nations, including Austria, whose reply stated that she would not join any gathering that was not attended by at least all the four occupying Powers—a refusal that called forth a reply on 17 December, which was drafted more in sorrow than in anger and pointed out that the threatened remilitarization of Germany could not fail to increase the threat of another *Anschluss* 'which would create new obstacles to a final settlement of the Austrian question'.<sup>2</sup> The refusal by the three Western Powers, couched in identical terms, after dealing with the wider implications of the Soviet move, expressed surprise at the intention to hold further inquiries into the Austrian question since, as the West was now ready to accept the hitherto unagreed terms of the Soviet draft, there was full agreement on the substance of the Austrian Treaty. Hence the essential basis for a successful conference on European security was agreement on certain points, first among them the signing of the Austrian Treaty. The Soviet reply to the Western Powers referred to Austria only briefly and concluded: 'Ratification of the Paris agreements, needless to say, would not help in reaching agreement on the Austrian question between the States concerned

<sup>1</sup> U.S.I.S. Daily Wireless Bulletin, 24 November 1954.

<sup>2</sup> *Soviet News*, 28 December 1954.

and Austria, which is highly desirable'.<sup>1</sup> This then was the new propaganda line: German rearmament equals *Anschluss* equals a military threat to Eastern Europe and Russia.<sup>2</sup>

A French diplomatic initiative, possibly centring round the Austrian question while seeking talks on the wider issues, met with a similar response; Mr Molotov called talks 'useless', and an article in *Izvestia* seemed finally to slam the door: '... against the background of (ratification) talks would be as pointless on the Austrian question as on the German problem.'<sup>3</sup> This was where matters stood when the political upheaval in the Soviet Union ended the Malenkov era.

In his foreign policy report at the 8 February 1955 session of the Supreme Soviet Mr Molotov dealt fully with the Austrian situation, and after reiterating the well-worn Soviet thesis that German rearmament would inevitably lead to another *Anschluss*, he nevertheless hinted at a possible solution which was at once recognized as an important concession:

It is necessary first and foremost to reckon with the fact that the settlement of the Austrian question cannot be considered apart from the German problem—particularly in view of the existing plans to remilitarize Western Germany—which intensifies the danger of the absorption of Austria, the danger of *Anschluss*.

This means that in concluding a State Treaty on the restoration of an independent and democratic Austria, such a solution must be found as would preclude the possibility of Germany effecting a new *Anschluss*, which is dependent upon corresponding agreed measures being taken by the four Powers on the German question. In this event the withdrawal of the troops of the four Powers from Austria could be carried out without waiting for the conclusion of a peace treaty with Germany.

The second condition was an undertaking by Austria not to join any military alliance, or to allow the establishment of foreign military bases on her territory: and 'the Governments of the United States, Britain, France, and the Soviet Union, for their part, must likewise undertake to carry out the aforesaid measures' (this, too, was a new idea and one certainly worth exploring). Thirdly, a four-Power Conference should be held without delay to examine the German problem and the Austrian Treaty, with Austrian repre-

<sup>1</sup> *Soviet News*, 10 December 1954.

<sup>2</sup> Cf. the statement by Andras Hegedus, head of the Hungarian delegation at the Moscow Conference, that the strivings of German imperialism 'directed towards the forcible annexation of Austria were particularly dangerous to the Hungarian people'. (*Soviet News*, 2 December 1954).

<sup>3</sup> Quoted in *The Listener*, 23 December 1954.

representatives participating. But the final sentence vitiated the promise contained in the first condition: 'It should, however, be borne in mind that in the event of ratification of the Paris agreements . . . a serious danger of *Anschluss* would be created; consequently a threat to Austria's independence.'<sup>1</sup>

These words of Mr Molotov's started a great international guessing game: what did the Russian Foreign Secretary really mean? While the West was inclined to fasten on the third condition and dismiss the proposal for a new four-Power Conference as an obvious move to delay ratification of the Paris Agreements, Austria tended to stress what was new in the speech and asked herself: there could possibly be a way out of the impasse that the German situation had created. When the Austrian Minister in Moscow, following instructions from his Government, approached Mr Molotov, he was assured that the remarks in his speech were to be regarded as an important statement, the Austrians immediately took the initiative and approached the West about the possibilities of a four-Power guarantee against an *Anschluss*; for, as the Socialist *Arbeiter Zeitung* put it on 6 March, while Molotov's speech might be another attempt to sow disunity, it might also be a move to excise the Austrian problem from the complex issue of German rearmament, so as to have one disputed country and one of no question in reserve when ratification of the Paris Agreements should have made all talks on Germany useless.

Since then events have been moving fast, and the pattern behind them has become much clearer. Ever since the war the occupation of Eastern Austria has enabled the Russians to maintain lines of communication troops in Rumania and Hungary, and the assumption is probably justified that Russia's refusal to grant Austria a treaty was, in part, connected with this fact; once her troops were withdrawn from Austria, she would have to withdraw them from the satellite countries as well—or else find another excuse for keeping them there. Now, however, the Paris Agreements have been answered with what Europe calls 'an Eastern N.A.T.O.' which allows Russia to station troops anywhere behind the Iron Curtain, thus removing one cause of Russian obstruction in Austria.

But there is a still better reason for assuming that Russia might seriously consider agreeing to a treaty at a time when ratification of the Paris Agreement would enable the N.A.T.O. to demand to close the Austrian gap in the West European defence

<sup>1</sup> *For a Lasting Peace, For a People's Democracy*, 11 February 1955.

system. That the Russians have recently been paying a great deal of attention to American activities in the Tyrol<sup>1</sup> is not accidental, for the Tyrol is the link between Germany and Italy, and only the removal of U.S. forces from Austrian soil could prevent the closing of the line which is intended to form a defensive wall from the Baltic to the Mediterranean.

On 14 March the Austrian reply to Mr Molotov's speech of 8 February was handed to the Russian Foreign Secretary, and it made the important points that it was unnecessary to link the Austrian question with the problem of Germany, and unreasonable to expect the Western Powers to negotiate before the ratification of the Paris Agreements; accordingly, there should be preliminary negotiations before a conference was convened. Ten days later, the Soviet Government by implication conceded both these points and issued an invitation to Austria to send a Government delegation to Moscow.<sup>2</sup> This invitation was accepted on 29 March, and it was announced that the Chancellor and the Foreign Secretary, both of the People's Party, and the Vice-Chancellor and the Foreign Under-Secretary for the Socialists, would leave for Moscow on 11 April. It would be idle to pretend that Austrians were very hopeful after the many disappointments of the last eight years, and in consequence the unexpected generosity of the Russians created a very good impression, though Austrians are prepared to admit that the Russians have left themselves enough loopholes to refuse their agreement once again; and both Austria and the West will look very carefully at Mr Molotov's proposals for 'guarantees' against an *Anschluss* (which might well be interpreted as implying a Russian right to re-occupy Austria in case of a real or alleged threat to her independence) and for Austrian neutrality.

#### A NEW ANSCHLUSS?

As the principal issues in the dispute between Russia and the West may be under public scrutiny in the near future, it may be useful to consider one by one the particular points which affect Austria. The Soviet case rests essentially on the charge that the Western Powers seek a new *Anschluss* and the inclusion of Greater Germany in the Atlantic 'war bloc', and that hence they encourage nationalist and militarist propaganda in Austria and the secret militarization of that country, while themselves taking steps to

<sup>1</sup> See below, p. 200.

<sup>2</sup> *Soviet News*, 25 March 1955.

turn their occupation zones into adjuncts of the Atlantic system.

The Austrian attitude towards union with Germany is clear and unequivocal: they neither want nor need the *Anschluss*. 'We are not only a viable country,' said the Foreign Under-Secretary on 19 November, 'we could even be a very prosperous country, for we take third place among the oil-producing nations in Europe. Over three million tons of oil were produced in Austria last year. If this Austrian oil were at our own disposal, we should have enough both for our own needs and for export.'<sup>1</sup> As long as the Russians delay the signing of the State Treaty, this great source of wealth, since it is situated in the Soviet Zone and is thus available for exploitation only by the U.S.S.R., is denied to Austria; but her success in finding new markets for those industrial goods which formerly went to Eastern Europe suggests that with greater economic stability the *Anschluss* idea will lose even its economic plausibility.

Secondly, Austria has no intention of joining a political or military alliance either now or in the future. While she makes no secret of her affinities with the West, she is realistic enough to recognize Russia's interests, and her declaration to this effect at the Berlin Conference in January 1954, frequently repeated since, was acknowledged by Mr Molotov as an important contribution. But it is inevitable that as long as the Western Powers are compelled to maintain their troops in Austria to balance the Russian occupation, military strategists will continue to regard Western Austria as part of the N.A.T.O. military area, thus lending credence to Soviet allegations that the Alpine provinces are already being incorporated in the Western defence system.

However, recent events outside the Austrians' control have given the question of the *Anschluss* some highly undesirable publicity. Some time last year two Austrian citizens resident in Germany asked that in addition to their Austrian nationality their documents should bear some reference to the fact that they were also German citizens—a request which a German *Land* government refused, but which was upheld by the German Federal Court of Administration on 30 October, on the ground that the law by which Austria was incorporated into Germany in 1938 had never been repealed. The Austrian Nationality Law of 10 July 1945 had restored their nationality to the people of Austria, but it could not deprive them of their German nationality, nor had there been

<sup>1</sup> *Arbeiter Zeitung*, 20 November 1954.

any treaty between Austria and Germany to regulate this matter.

This curious verdict, however correct it may have been in law, early led to international complications and had some unexpected consequences when the registers were compiled for the *Land* elections in November and December and the authorities in Leese, Bavaria, and Berlin announced that they were now prepared to grant applications for inclusion in the registers from any Austrians who wished to record their vote.

What may well have looked like a storm in a tea-cup to outside observers agitated the minds of Austria's leaders quite considerably; in view of the Russian assertions of preparations for an *Anschluss*, the German Court's decision could not have been made at a worse time. In a newspaper interview the German Chancellor stated that the Federal Republic recognized the independence of Austria in spite of the decision of the Court. But this did not satisfy the Austrians, who wanted a more binding declaration than an interview. On 19 November the East Germans did the expected thing when they declared, through Grotewohl, that they would treat Austrians as nationals of a foreign country, unlike the Federal Republic which in this matter had been guilty of 'a breach of international law'.<sup>1</sup> At last, on 21 December, the Government in Bonn had completed the relevant Bill and passed it, with suitable recommendations, to the Upper House which considered it on 21 January. In its present form it still does not meet all the wishes of the Austrian Government, but it bears the neutral title 'Second Law Regulating Questions of Nationality' instead of that of the earlier draft 'Law Regulating German-Austrian Nationality Questions'. Moreover the Nazi *Anschluss* Law of 1938 is no longer stated to be 'devoid of application' (*gegenstandslos*), but is 'unnullified'. A small point? Perhaps; but the Austrian Parliament is particularly sensitive to memories of the *Anschluss* and all legislation resulting from it, and it tends to resent German insensitivity to Austrian feelings which has been evinced of late in forms not seen since 1945.

However, this issue is now closed. But a far more difficult problem still awaits a settlement: the question of German property. Periodically Parliament and the press discuss the situation created by the persistent demands of German concerns, shareholders, and property owners for a settlement which the occupation of Austria and disunity among the occupiers make impossible.

<sup>1</sup> *Manchester Guardian*, 20 November 1954.

Briefly, the Austrian position is that Austria lost considerable assets at the time of the *Anschluss*, principally the gold reserves of the National Bank and the monetary balances of the insurance companies, and this loss must be taken into account in any settlement with Germany. Secondly, the Russians in their zone hold German assets which they value at \$150 million and which Austria will have to buy if and when a State Treaty is concluded; are they to pay their German owners a second time for them? Thirdly, German assets whose value is estimated in Germany at \$1,500 million are administered by the Austrian Government as trustee for the occupying Powers, and without Russian assent no overall solution is possible. Any attempt to effect a settlement for the Western-occupied zones of Austria may well result in the Soviet trying to bring pressure to bear on the Austrian Government.

This does not, however, preclude the possibility of reaching strictly limited agreement on certain issues. Various Austrian Ministries have been surveying the part played in the Austrian economy by these 'frozen' assets, and in November Parliament was promised a statement by the Government, which has not so far been made. Early in February the Austrian Foreign Under-Secretary stated in Munich that his Government would not claim the so-called 'small assets', involving perhaps fifty thousand German owners, and shortly afterwards it was reported from Bonn that negotiations had begun between the two Governments concerning the problem as a whole. It is difficult to see how much progress can be made without seemingly confirming the Communist accusations of a proposed sell-out to the Rhine and Ruhr industrialists and a *Wirtschaftsanschluss*.<sup>1</sup>

#### NAZISM AND MILITARISM

As for the alleged 'Nazi and militarist activities' in Austria, Soviet propaganda is on somewhat firmer ground here in so far as a very small minority of ex-Nazis do indeed provide it, from time to time, with evidence of their existence. 'Former Nazis . . . extol the old Fascist order and call for a new "campaign against the East". Former Nazi generals are constantly paying "visits" to Western Austria. A number of Austrian reactionary papers conduct brazen pan-German propaganda and "soldiers'" rallies are held regularly in the country . . .', writes *Trud*.<sup>2</sup> Apart from the unwarranted

<sup>1</sup> Cf. *For a Lasting Peace, For a People's Democracy*, 17 December 1954.

<sup>2</sup> Quoted in *Soviet News*, 17 January 1955.

implication that all this happens with the approval and support of the Government and is a major feature of Austrian political life, the facts are true and are at least as much resented by most Austrians as they are useful to the Russians for their propaganda value. But what is also true is that there is a far stricter check on nationalist and ex-servicemen's organizations in Austria than there is, for instance, in Western Germany; neo-Nazi leaders and papers are prosecuted for breaches of the law, and soldiers' rallies are banned if there is a likelihood of a breach of the peace being committed.

Perhaps the best illustration of the weakness of neo-Nazism is provided by the fortunes of the 'League of Independents' (V.D.U.) which have declined significantly over the past three years.<sup>1</sup> This trend continued in the elections held during 1954 for local government bodies, provincial chambers of labour, and the Styrian agricultural and peasant chambers, and the Communists themselves speak of a 'crushing blow' which this 'open agency for German militarism' suffered.<sup>2</sup> While it is too early to speak of the end of the V.D.U., this organization appears to be losing its working-class following to genuinely independent lists, while the inveterate Nazi elements seem attracted by a new grouping round Reinthaller, the man who represented the nationalist element in Schuschnigg's 'Fatherland Front' and belonged to the short-lived *Anschluss* Cabinet. A party conference of the V.D.U., held on 5-6 February, resulted in the defeat of the extreme nationalist line 'which would not extend our influence, but would on the contrary narrow our appeal', declared the V.D.U. to be a 'party of the centre', and instructed the leadership to seek contact with all other groups that could be deemed to belong to the 'third force in Austrian politics'. It is doubtful if this change will prove acceptable to all the provincial organizations, and the forthcoming elections to local government bodies in four provinces, to chambers of agriculture in five provinces, and chambers of commerce and shop stewards all over Austria will show whether there is any possibility that the V.D.U. can indeed transform itself into a moderate pan-German liberal party. To describe it, in its present state of confusion and internecine warfare among the leaders, as a menace to Austrian independence is just ludicrous.

The allegations of military preparations are no better founded.

<sup>1</sup> Cf. 'Austria and the Berlin Conference', in *The World Today*, April 1954.

<sup>2</sup> *For a Lasting Peace, For a People's Democracy*, 26 November 1954.



As for the ex-servicemen's associations, it is usually claimed that they engage in a good deal of humanitarian work and on the whole merely satisfy the need for social contacts and gatherings. This is undoubtedly true of Eastern Austria where the combined influence of the Russians and of the Socialist Party (for once seeing eye to eye on an issue!) prevents the occasional lapses into militarist speech-making and regrets for missed opportunities in the past which occur at rallies in the Alpine provinces. Realizing that their case was not very impressive, however, the Russians recently 'discovered' further proof of steps that were being taken to integrate Austria in the Atlantic Pact military alliance. A special meeting of the Allied Council, held at the request of the Soviet High Commissioner on 21 January, was informed of a Soviet protest against the stationing of American troops in the French occupation zone, amounting to a breach of the occupation agreement 'which could have serious consequences'. This took the Western Commissioners by surprise, for the troops in question numbered only about three hundred and were occupied with administrative duties in the Tyrol on the lines of communication between Italy and the U.S. zone of Germany. In any case, the situation had existed for eight years, and to call a special meeting for what appeared to be an obvious propaganda move was an abuse of the four-Power machinery. But *Pravda's* correspondent in Austria pointed out that the 'first step towards the division of Germany . . . and towards the revival of German militarism was the merging of the American occupation zone in Germany with the British zone, . . . and alert political observers are drawing attention to the fact that the American military authorities are trying to carry out something similar in Western Austria'.<sup>1</sup> And to add insult to injury the Americans' excuse about their lines of communication showed how they 'value the inviolability of Austria's territory. What do they care about the Tyrol with its traditions, with its age-old struggle for freedom, when they find it nearer and more convenient to transport over its roads American guns for the new West German *Wehrmacht*!'

At a meeting of the Allied Council on 14 January the Russians opposed the Austrian Federal Budget for 1955 on the ground that it contained funds for building up military forces forbidden by the Council. The complaints about a clandestine remilitarization of Austria go back to 1947, and they have been repeated at

<sup>1</sup> Quoted in *Soviet News*, 3 January 1955.

regular intervals, without a shred of evidence ever being produced. At an Allied Council meeting on 26 November the Soviet High Commissioner claimed that in addition to the police and the gendarmerie, some 30,000 strong, the Austrian Government had established eight battalions of infantry and one of pioneers as well as three motorized companies in the Western zones. These units were trained and commanded by former officers of the German Army, and the Council ought to remind the Austrian Government that it was breaking the Allied Control Agreement. As usual, the Western representatives refuted the Soviet charges, but when the Federal Budget was submitted to the Allied Council the Soviet representative contended that the sum of £2,670,000 allotted for the training of security services would, in fact, be used to support a 'guard corps created illegally in Western Austria' as part of a N.A.T.O. army. On 28 January the official *Wiener Zeitung* pointed out that compared with military budgets ranging from 9 to 11 per cent of total expenditure in the satellite countries, this alleged military budget amounted to 0.75 per cent. Whereas the Treaty draft provided for a total of 58,000 military personnel, the 1955 strength of the executive was 14,300 police, 11,300 gendarmes, 3,400 customs guards, and 1,500 prison guards, a total of a little over 30,000, of whom only half could in any way be considered as part of Austria's defence forces. Hitherto only the gendarmes had been trained in special colleges, but as an economy measure all security forces were in future to be trained at these centres, hence the new provision in the Budget.

None of this will matter, however, if the Soviets are really willing to enter into serious negotiations for a State Treaty; similar propaganda lines have in the past been suddenly dropped when a turn in Soviet foreign policy required it. At present the Russians are playing their hand really well, and they have even succeeded in shifting the responsibility for the success of the treaty talks on to the shoulders of the Western Powers: 'Will the Americans agree?' is heard as often in Vienna as the far more plausible question 'Are the Russians sincere?' What they consider the marked coolness of the West towards recent developments is resented by many Austrians who are tired of the occupation and will seize at any straw. The publication of the Yalta Papers with their unfortunate references to Austria has served to remind them how little small nations like theirs count in the quarrels of the great, and the West will have to be very circumspect in the forth-

coming talks if it is not to risk losing the enormous fund of goodwill it has built up among the Austrian people during the years since 1945.

K. R. S.

## *Trade between China and the Soviet Bloc*

ONLY a few years ago two schools of thought would have given diametrically opposite replies to the puzzling question: is China a satellite or a partner of the Soviet Union? Today there seems to be little doubt as to the answer. Whatever may have been the initial place of post-revolutionary China in the Communist bloc, her standing *vis-à-vis* the Soviet Union has been constantly in the ascendant. The wide disparities in actual military and economic strength are counterpoised by China's economic potentialities and political stature as a leading Asian Power. The latest Sino-Soviet agreements which guaranteed the restoration to China of her full sovereignty over Port Arthur and the control of vital industries on her soil clearly mark an important and symptomatic stage in the relationship of the two countries.

It is significant of the change that has come about in Western appreciation of the character of Sino-Soviet relations that even the recent new developments in Soviet internal policies, both political and economic, have been—perhaps with some plausibility—widely interpreted on this side of the Iron Curtain in terms of China's demands upon her ally. Unfortunately the paucity of reliable data permits but the vaguest assessment of such demands. Nevertheless it may perhaps be worth while to try to arrive at least at some idea of the order of magnitude involved.

Some time ago the Industry and Materials Committee of the Economic Commission for Europe<sup>1</sup> tried to assess in broad terms, on the basis of the scanty official and semi-official information available, China's requirements in engineering products for the

<sup>1</sup> United Nations Economic Commission for Europe: Industry and Materials Committee: *A General Survey of the European Engineering Industry*, Geneva, 1951, pp. 117 seq.

implementation of her long-term economic plan. The computations were made on the assumption that China would follow the same general course as the U.S.S.R. did in the past and consequently that Soviet experience would be relevant. Following this line of argument, it was found that as a corollary to the establishment of machinery factories China would have to import machine tools in numbers comparable to the 300,000 brought in by the Soviet Union from the West during her initial industrialization phase in the 'thirties. This figure may perhaps be usefully viewed against the approximate figure of 80,000 machine tools which the Soviet Union is reported to have produced last year.

Or take the cotton industry. A Chinese five-year plan provides for doubling the spindle capacity. This would require installing some 5 million additional spindles (seven factories of 50,000-100,000 spindles each are said to have been completed last year or put into commission this year). Of these China would have to import perhaps 3.5 million spindles if her claims as to domestic availabilities were accepted at their face value. By way of comparison it may be said that such import requirements correspond to seven times the Soviet output of spindles in 1954 and equal perhaps a third of the Soviet Union's spinning capacity in cotton.

Again, China's programme of stepping up her grain production implies large scale mechanization of agriculture. This is clearly interconnected with the pace at which the second part of the agrarian revolution—i.e. collectivization—is pushed ahead after completion of the first stage, the redistribution of land. But a very tentative estimate of the Chinese import requirements made by the U.N. Commission arrived at the figure of no less than 125,000 tractors during the five years of the plan. It may be noted for comparison's sake that last year Russia produced about 140,000 of these machines.<sup>1</sup>

Can the Soviet Union set aside such enormous quantities of equipment out of her own production? The question would appear to be almost a rhetorical one. China's demands in fact present a twofold problem: that of the physical availability of the machinery (and once machinery is installed and put into commission it will immediately create a demand for imports of all

<sup>1</sup> Soviet output figures for 1954 were given by the E.C.E., *Economic Survey of Europe in 1954*, pp. 262 seq., as 79,000 metal cutting machine tools, 480,000 spindles, and 137,000 tractors in 15 h.p. equivalents.

The total spindle capacity in 1951 was reported to be 8.4 million spindles. Cf. E.C.E., *Economic Survey of Europe since the War*, p. 270.

kinds of raw and other materials in which the country is deficient), and that of financing the necessary imports. It may be assumed that no measures of 'tightening up the belt' in a country with a per capita national income of about \$30 a year<sup>1</sup> could possibly provide the necessary means wherewith to pay for these imports, even supposing there would be no subsequent difficulties in marketing surpluses.

Once again, the most that can be done in interpreting this problem is to try to provide some sort of intelligible scale of reference. For this purpose it may be recalled that over the 1928-30 triennium China's visible foreign trade deficit amounted to about \$550 million in current prices, and in that period she benefited from \$300 million worth of credits to cover her current deficit in goods and services.<sup>2</sup> These figures if translated into dollars of today's purchasing power would be approximately doubled.

Such was the position at the time of China's economic stagnation. We may thus obtain an inkling of the insufficiency of Soviet financial assistance if we compare the figures quoted with the \$430 million of credits which the Soviet Union is reported to have placed at the disposal of her ally's expanding economy. The loans, which are payable over a number of years, would be even smaller if the rouble amounts were converted into dollars not at the official rate but at one closer to the actual purchasing power relationship of the two currencies, and if compensation accorded to Russia for her share in joint companies were deducted. It is, in fact, somewhat surprising that the amount of Soviet financial aid to China has been disclosed at all for the whole world to see its meagreness.<sup>3</sup> May this not in itself be a pointer to China's standing? It would seem, indeed, that the Soviet Union's obvious inability to provide either goods or financial aid on the scale required by China inevitably implies—given the respective power relationships—that

<sup>1</sup> Chinese per capita national income was estimated to be \$27 in 1949. Cf. Statistical Office of the United Nations, *National and Per Capita Incomes, Seventy Countries—1949*, New York, 1950, p. 14.

<sup>2</sup> Cf. League of Nations, *Balance of Payments—1937*, Geneva, 1938, p. 12. According to that source, over the three years 1928-30 the deficit in the visible foreign trade amounted to about \$550 million and that on interest and dividends account to about another \$330 million: against that, other services, consisting presumably in the main of overseas Chinese remittances, amounted to about \$570 million.

<sup>3</sup> Admittedly, any conversion rate for the intra-bloc trade and settlements is bound to be of questionable validity, since so little is known of the relevant price structures.

it is her European satellites who are called upon to shoulder a substantial part of the burden.

Naturally, the two most industrially advanced countries among the satellites—Eastern Germany and Czechoslovakia—must play the greatest part in supplying Chinese imports of engineering products. Cranes, excavators, trucks, power generating equipment, diesel engines, telecommunication equipment, machine tools, and ball bearings are on the list of goods delivered to China by these two countries, whose engineering exports to countries within the Soviet bloc have been estimated at the impressive figure of about \$1,000 million a year. A recent analysis by the Economic Commission for Europe of developments in the foreign trade of the Communist countries suggests that perhaps the most impressive of all in recent years has been 'the growth of trade between the U.S.S.R. and the Eastern European countries, on the one hand, and mainland China and other Asian members of the group, on the other,' and that China has become a major market for East German engineering exports.<sup>1</sup> An earlier report suggested that exports to China—together with those of the Soviet Union and with military needs—absorb the bulk of the substantial surplus of engineering output of European countries belonging to the Soviet bloc.<sup>2</sup>

Chinese exports and imports respectively made up about 10 per cent of Hungary's total foreign trade in 1954.<sup>3</sup> It is worth noting that Hungary's deliveries to China, though comparatively modest in size, have changed their character in step with the

<sup>1</sup> E.C.E., *Economic Survey of Europe in 1954*, pp. 114 and 118. According to this source China has become the Soviet Union's leading trade partner.

It is, incidentally, difficult to understand how Russia herself can possibly be a major supplier of equipment to China seeing that her total deliveries to all countries of her bloc are said to amount to about 800 million roubles a year, or about \$200 million at the official rate of exchange (The latter figure was taken by the E.C.E. from Mr A. I. Mikoyan's statement and an article in the *Vmesh-maya Torgovlia*, No. 11, 1954, however this figure was contested by the Soviet delegate to the E.C.E., who maintained that the actual Soviet exports of machinery and equipment to other countries of the Eastern world was three times the figure given in the Commission's survey. Cf. *op. cit.*, p. 118, and *The Times*, 24 March 1955.)

The estimates may appear consistent only on the most plausible assumption that actually the Communist countries form one 'trading bloc' and that much of the equipment which China receives on the Soviet Union's account is in fact delivered by other members of the bloc. This of course raises the question as to how the Soviet Union repays her European satellites for deliveries on her account to China.

<sup>2</sup> E.C.E., *Economic Survey of Europe since the War*, p. 202.

<sup>3</sup> József Bognár, in *State Budget of the Hungarian People's Republic for 1954*, Budapest, 1954, p. 44.

change in her economic structure over the last few years. In 1951 she delivered primarily textiles and consumer goods. In the past four years the list has changed to include the type of equipment in which she specializes today, such as some kinds of machine tools, diesel motor trains, lorries and motor cycles, and small size power plants.<sup>1</sup>

While the bulk total of Sino-Hungarian trade exchanges has grown at a relatively slow pace (last year it was only between a quarter and a fifth greater than in 1951)<sup>2</sup> the opposite is true of Sino-Polish trade relations. In fact the latter provides a good case in point, and it is also the one best substantiated by accessible statistics.

In the first four years since Poland started her trade with Communist China the Sino-Polish turnover rose sevenfold.<sup>3</sup> China has come to occupy one of the leading places in Polish foreign trade, taking precedence over France, Italy, and Austria, three countries which traditionally ranked high among her customers. By now mining and farm machinery and machine tools account for half of Poland's trade with China, and in 1953 these commodities plus products of the iron and steel industry and non-ferrous metals (presumably zinc and lead) already accounted for roughly three-quarters of total Polish deliveries. An interesting feature of this trade with China is that within its framework Poland for the first time in her economic history embarked on exporting complete plant: two complete sugar refineries have recently been delivered by Silesian factories and are now being installed in North-Eastern China.

But the most important part of the economic relationship between these two countries is the task allotted to Poland of providing the maritime transport link between China and the European members of the Soviet bloc—for the overland route is clearly overburdened and its cost prohibitive. A mixed Polish-Chinese company was created and agreement was reached for an adequate tonnage to be put at its disposal at par by the two partners; but according to trustworthy reports China proved unable to secure her share for the venture. As a result Poland had to divert a large tonnage from other routes to the Chinese services, and to undertake a hasty and expensive programme of purchase as well as of

<sup>1</sup> *Szabad Nep*, 14 January 1955.

<sup>2</sup> *Ibidem*.

<sup>3</sup> *Trybuna Ludu*, 20 April 1953.

re-conversion and adaptation of vessels for the specific needs and conditions of the Far Eastern services. A few figures may give an idea of the use made of the Polish fleet in these services and of the development in the European satellites' trade with China since 1950.<sup>1</sup>

## POLISH-CHINESE MARITIME LINES

	<i>Share in tonnage carried by Polish Merchant Navy</i>	<i>Share in ton/mileage performance</i>
	<i>(as per cent of total)</i>	
1950	2	13
1951	12	43
1952	13.5	48.5
1953	26	75.5

Thus in 1953 services to Chinese trade accounted for three-quarters of the total performance of the Polish fleet. In addition Poland has to build in her shipyards freighters for China, to train her crews, and to help to expand her harbours.

Even the less economically developed countries of Eastern Europe are expected to lend a hand. Bulgaria supplies the Chinese with artificial fertilizers and chemicals and even with some machinery, despite her own shortage of all these goods. It is known that Rumania delivers to China not only petroleum products, chemicals, and cotton piece-goods, but also drilling equipment for oil fields in which her industry has specialized in the last few years.

There is a constant and growing flow of technical missions from China to Soviet-controlled European countries. A permanent Chinese purchasing mission covering the satellite area is established in East Berlin and has been very active since 1952, and itinerant Chinese missions regularly visit the main Central European industrial centres to arrange for some of their production capacities to be adapted to assist China's economic plans. These activities are in addition to more long-term arrangements such as those initiated at the important Polish-Chinese conference held in 1952: it was at that conference that the programme for deliveries of complete plants was drawn up, envisaging, in addition to the sugar refineries already mentioned, the delivery in later years of the current decade of large wood-working factories, paper mills, distilleries, and fertilizer and coal grading plants.<sup>2</sup>

In fact the flow of missions is a two-way one. Central European

<sup>1</sup> M. Krynicki, in *Zycie Gospodarcze*, No. 22, 1954, p. 850.

<sup>2</sup> *Polish Foreign Trade*, No. 18, 1953.



experts have been reported to be working on many major Chinese projects. Never before in their history have the countries of Central Europe had such close economic (and for that matter also cultural) relations with the Far East. The Governments try to 'sell' the Chinese venture to their public opinion as a proof of their countries' growing economic strength and of the new opportunities for trade expansion within the framework of the Communist orbit. At the same time no occasion is missed to stress China's great importance as a source of supply of almost every deficient raw material, especially non-ferrous metals and even oil—a story not necessarily untrue provided it is regarded as a distant vision. In the meantime every arriving shipment of Chinese goods is accorded publicity, though the quantities are a strongly guarded secret. Nevertheless officers who have defected from the Polish Merchant Navy emphatically contradict the reports of large shipments and tell of Polish ships carrying ballast in their holds for lack of freight on homeward voyages.

China shares today the experience of all rapidly industrialized countries in suffering a marked reduction of export surpluses of traditional raw materials. This is inevitable both because productive resources are being spread more widely and diverted to other sectors of the economy, and because expanding industries absorb more of the indigenous materials and the growing towns consume relatively more agricultural produce. China will have to go carefully with some of her more valuable commodities, since these are needed to pay for whatever she can buy in the free world; her trade with the West, once a carrier of large commercial credits, is in these days on a cash basis only. In any case it is safe to assume that, at least within limits, it is the Soviet Union that takes priority over her European dependencies in the share-out of the valuable Chinese export availabilities. It may be considered symptomatic that of the 300 thousand tons of soya beans and 120 thousand tons of ground nuts which the Chinese were to deliver to East Germany by the end of 1953 only slightly over a third was actually shipped until the middle of last year<sup>1</sup>—a fact, incidentally, which has severely upset East German production of margarine and its supply to that country's population.

In the case of some other commodities the East European countries provide outlets too small to absorb the Chinese surpluses: too small relatively, that is to say, since the Governments of the

<sup>1</sup> *Süddeutsche Zeitung*, 28 July 1954.

centrally planned Eastern European economies cannot afford to allow their populations to consume too much of them. As a matter of fact Chinese goods are relatively inexpensive in those markets: but even so, underwear of pure Chinese silk, for example, reported to be widely displayed in the peasant co-operative shops of Eastern Europe, can hardly meet with large demands. It is small wonder, therefore, that Eastern and Central European countries throw some of the Chinese goods they receive on to the world markets at depressed prices. While generally speaking Chinese export surpluses could be fairly well absorbed by the world markets, it is a fact that at least some of China's traditional export commodities have to face rivals and substitutes: obvious examples are silk and bristles, now displaced by nylon in many of their traditional uses.

While once again no exact figures are available, it seems safe to assume that, in the circumstances outlined above, some of the Central European satellite countries must have built up considerable balances in their Chinese trade. Such frozen balances are of course tantamount to assistance towards the financing of China's industrial development. It has been estimated by a Far Eastern authority that by last year China's debt to Poland, presumably including payment for her shipping and other services, accumulated to the tune of a thousand million dollars.<sup>1</sup> This estimate seems to be on the large side as compared with the available data on the Polish balance of payments, but it may nevertheless serve as an approximate indicator of the magnitudes involved in compulsory subsidies exacted from the Soviet Union's European dependencies for the benefit of China.

Another common experience of countries endeavouring to apply the autarkic method of industrialization is the discovery that their capital needs grow disproportionately as the higher stages of the process are reached. So far the growth of China's industrial output has been due to a large extent to rehabilitation and expansion of the industrial core in Manchuria. It is safe to foresee that her needs in equipment on the one hand and her shortage of means of payment on the other will rapidly increase as the programme of the new gigantic projects unfold. The steep rise of requirements may be inferred from the fact that, for example, between 1954 and 1955 investment outlays were reported to have increased by 40 per cent.

<sup>1</sup> *Far Eastern Economic Review*, 26 August 1954.

The observer may be strongly tempted to speculate on the effects of the rise of a parallel centre of power within the Communist world. There has no doubt been a systematic build-up throughout the Soviet-controlled area in Europe of China prestige and of the authority of her leaders. The question may be asked whether an intra-national system built essentially on unity of both power and dogma can in the long run be compatible with the existence of two leading centres. It is arguable that such a system carries within itself the seed of inexorable rivalry between the two centres (one of which, moreover, is imbued with the new spirit of national consciousness) and that this is bound to generate pressures and tensions in the Communist world. It may also be argued that such tensions and pressures may provide the satellite with some margin of manoeuvre and opportunities.

Whether or not such a line of argument proves correct in the long run, it seems certain that in the short run the immediate effect of the emergence of Russia's partner within the Communist world is that Russia is now striving to buy that partner's favour at the expense of weaker European countries. And this means that in addition to the heavy bill for their own industrialization the Eastern European countries now have to help to foot that of China's economic expansion.

A. Z.

## *The Political Scene in Finland*

ALTHOUGH President Paasikivi is not due to retire until March 1956, the presidential election has already cast its shadow on the Finnish political scene. Only two of the six parties in the country—the Agrarian Party and the small People's Party—have as yet nominated their candidates, but the campaign may already be said to have begun. It is essential to bear this fact in mind when considering current party controversies, both in the economic and the political fields; for in a small country like Finland, with a multi-party system, personalities are almost as important as principles. The present Government represents a coalition of Agrarians and Social Democrats, with the Agrarian leader, Dr Kekkonen, as

**Prime Minister.** However uneasy this coalition may be—for its constituent parties stand for radically different principles and conflicting interests—it is unlikely to break down this year for two reasons. First, because both parties recognize that their collaboration is a necessary condition of stable government in Finland, where the Communist League—although holding more than a fifth of the 200 seats in parliament—has been effectively neutralized and excluded from all Governments since 1948. Secondly, because of the imminence of the Presidential election in which both parties have so great a stake.

Finland's position is unique in the world today. She is dependent on Russia for a considerable part of her foreign trade; she has maintained her independence but must walk a dangerous political tightrope between East and West; and, in her internal politics, she is tied to a coalition of centre parties which really represent group interests rather than ideologies. As a result, economics, foreign policy, and internal politics are inextricably interwoven. But in order to explain the present situation it is convenient to consider the problems of the past year under these separate headings, though the division must necessarily be an artificial one.

#### INTERNAL POLITICS

Since the Communist coalition broke down in the summer of 1948 a coalition of Agrarians and Social Democrats has been what may be termed the 'normal' form of government, though there have been three brief periods of minority, one-party government. To understand the situation today we must go back to the summer of 1953, when the coalition was broken after a dispute over economic policy and Dr Kekkonen formed a minority Agrarian Cabinet. There is some truth in his opponents' claim that this Government was kept in power only by the support of the Communists in the Diet, and this increased the animosity of the Social Democrats. There was general agreement in Finland about the basic causes of the economic crisis which so disrupted government that year, but the two major parties were not able to agree on the steps necessary to resolve it. These main causes were excessive production costs in industry, which made it difficult for Finland to compete effectively in the world markets, and an unnaturally low exchange rate for the Finnish mark. The Agrarians pressed for Government economies, including cuts in the social services, and an end to the series of wage increases which, with wages pegged to

the cost of living, were raising costs still further. The Social Democrats, who have always to compete with a strong Communist Party for the favours of the industrial working class, rejected this solution and insisted that production costs were too high because of the excessive level of profits demanded by industrialists.

The failure of the two major parties to agree on a national economic policy resulted in three changes of government in less than six months; for Dr Kekkonen's minority Government finally fell in November 1953. Immediately after his resignation Dr Kekkonen also announced, through an article in the Agrarian Party newspaper *Maakansa*, that he had for some time been conducting personal and secret negotiations with the Russian Minister in Helsinki, Mr Lebedev, and that Russia had offered important economic and territorial concessions to Finland. These concessions would include a new loan to ease the economic position; the payment for a proportion of Finnish exports to Russia in Western currency, of which Finland was very short; and, finally, the re-opening of the Saimaa Canal to Finnish traffic. The manner in which Dr Kekkonen made public these offers and these private conversations aroused wide controversy, and rendered a solution of the Government question still more difficult.

In these circumstances it was decided that the date of the General Election should be brought forward to March 1954, and in the meantime the President invited Mr Sakari Tuomioja, Governor of the Bank of Finland, to form an interim 'Government of experts'. Parliament also passed a Bill extending the life of Parliament from three to four years, to take effect after the elections.

Mr Tuomioja's Government was remarkably successful during its short life. In spite of warnings from the Finnish Communist Party that Russia would not consent to negotiate with a Government of such a Right-wing complexion—for this was the first 'all-bourgeois' Government since the end of the war—Mr Tuomioja quickly succeeded in concluding a trade agreement with Russia on the same terms as those indicated by Dr Kekkonen (but excluding the Saimaa question for the time being), and steered the country through the difficult economic waters with remarkable skill. This feat greatly enhanced his political prestige and made him a strong 'outside' candidate for the Presidential election in 1956.

The General Election of March 1954 produced little change in the balance of power between the parties in Parliament. The Social

Democrats emerged with 54 seats, the Agrarians with 53, while the SKDL (Communist League) held 43 seats. The Conservative Party dropped to 24 seats, but the relatively new Peoples' Party made considerable gains and won 13 seats, the same number as the Swedish Party.

Relations between the leaders of the two main parties, especially between Mr Väinö Leskinen, Secretary of the Social Democratic Party, and Dr Kekkonen, had by this time become severely strained, and it seemed impossible that a new coalition could be formed. Nevertheless each party recognized that it could not maintain a stable Government without the support of the other, and finally a compromise was reached by the appointment of Dr Ralf Törngren, of the small Swedish Party, as Prime Minister. Dr Törngren had previously served as Foreign Minister under Dr Kekkonen. The latter now took over the Foreign Ministry, with Mr Leskinen at the Ministry of the Interior, and the remaining offices were distributed between the Agrarians and the Social Democrats. This could only be a temporary solution, and until late in the summer of 1954 there seemed little chance of a real rapprochement between the parties, or of the formulation of an agreed economic policy.

Matters came to a head in September, while the Prime Minister was on holiday in Denmark, with a new crisis over food prices. The Agrarians demanded increased prices for farm products; the Social Democrats and the trade unions responded by demanding lower food prices, a general lowering of purchase taxes, and a reduction of interest rates, to bring down the cost of living index. Negotiations between the leaders of the two parties began on these lines, but by early October the talks had developed into a discussion about the possibility of forming a new coalition Government consisting of seven Social Democrats and six Agrarians, under the premiership of Dr Kekkonen. Though the Prime Minister knew that talks were being conducted on the economic question, he was apparently not aware that they had developed into secret political negotiations. Considerable public indignation was expressed at the way in which these discussions had been conducted, and the Chairman of the Swedish Party parliamentary group went so far as to say: 'This case of Ministers scheming against their own Government is extraordinary and unique in Finnish parliamentary history.'

The Prime Minister returned to Finland and tried to produce a

compromise solution of the economic dispute, but this was unacceptable to either party, and on 15 October he resigned. Three days later, on 18 October, the Finnish Confederation of Trade Unions (SAK) threatened to call a general strike unless their demands were met. On the same day the Agrarians presented their proposals, which conceded nearly all of the points raised by SAK. These proposals were designed to produce a fall in the cost of living from 103 to 98 points, at a cost to the State of about 27 milliard Fmks, as well as reductions in the rate of interest, in the prices of dairy products, and in the purchase tax on textiles and certain foods. At the same time agricultural subsidies were to be increased, and a new Office of Economic Planning was to be established. These proposals proved acceptable, and the new coalition Government—Dr Kekkonen's fifth since the war—was formed and still continues in office, in spite of a thirty-hour crisis on 17 December.

Relations between the two coalition parties, though uneasy, somewhat improved during the past year. But last March a new crisis developed when seven unions, representing about 18,000 Government employees, went on strike, paralysing the railways and the postal services. The causes of this strike were complex, and wage negotiations have been in progress for many months, but it is admitted that the wages of Government employees are low in comparison with those of industrial workers. The strike, which lasted for eleven days, was finally settled; but it served to demonstrate the fact that relations between the Social Democrats and the trade union organization have also become strained in recent months. Moreover the strike, for which the Agrarians disclaimed responsibility, threatened to split the Government, though in the event both parties agreed to accept the proposals of the arbitrator, Mr Vuori. In the meantime the agricultural producers threatened to strike on 4 April unless the prices of farm products were raised. A compromise solution has also been worked out in this case, and the strike averted, but many problems still face the Government.

It is generally recognized that the present coalition is the only basis of stable government in Finland, however difficult it may be to maintain. In the meantime, the coalition is unlikely to be broken until after the forthcoming Presidential election. Dr Kekkonen is the official candidate of the Agrarian Party, but the Social Democrats have not yet chosen their candidate. The battle has already

begun, and it is certain to be a hard-fought campaign, whose result will greatly influence the future alignment of parties.

#### FOREIGN RELATIONS

Finland's foreign policy has remained consistent since the end of the war, and especially since the 1948 Treaty of Friendship and Mutual Assistance with Russia. This policy, which is generally known as the 'Paasikivi Line' since its principles were first clearly expressed by President Paasikivi, is based on the maintenance of friendly relations with both East and West, and a refusal to enter into any international 'blocs' or alliances on either side.

The past year, however, has been marked by an increasing though subtle pressure from Russia designed to persuade Finland to associate herself more closely with the East and, in particular, with Mr Molotov's European Security plan. This new phase in Russia's policy towards Finland really began in the summer of 1954, when Dr Kekkonen, who was then Foreign Minister, went to Moscow to sign the five-year trade agreement on which trade between the two countries is based. The agreement itself was signed on 17 July, but the joint communiqué issued by the two countries made it clear that Dr Kekkonen's visit had also been made the occasion for political talks, and that the Finnish delegation was faced with a demand for a political statement of goodwill to be attached to the trade communiqué. In the event, the statement did little more than express the friendship existing between the two countries, but its wording is of interest: 'The Finnish Government and the Soviet Government, acting in the spirit of the Treaty of Friendship, Co-operation, and Mutual Assistance of 1948, wish to make their contribution towards guaranteeing peace and the security of nations, and express their endeavour in all ways to further the maintenance of international peace and security, in accordance with the principles of the United Nations.' At the same time it was announced that both countries would raise the status of their Legations to that of Embassies, and would exchange Ambassadors.

Then in November 1954 Mr Mikoyan, the Soviet Minister of Trade and Deputy Prime Minister, arrived on a visit to Finland. It was stressed in both countries that Mr Mikoyan was exclusively concerned with trade matters, and that no political implications were attached to the visit. He stayed in Finland from 26 November to 1 December, visiting various industrial centres and shipyards



which were building ships for export to Russia, and attended the launching of a new large ice-breaker designed for Russia. On the conclusion of his visit, however, on 2 December, a joint communiqué was issued which showed that political talks had in fact been held, for it was stated that: 'Ideas were exchanged about the continuous development of Finno-Soviet relations. It was noted that these relations had developed favourably during recent years on the basis of the 1948 Agreement. . . . It was agreed that the continuous development and strengthening of Finno-Soviet relations in the spirit of the above-mentioned agreement were in accordance with the interests of both countries.' At the same time it was announced that Russia had granted Finland a gold loan to the value of 40 million roubles.

In the meantime, on 16 November, Finland was invited by Russia to attend the European Security Conference planned to take place either in Moscow or Paris. To demonstrate that she was not acting under pressure from any other country or group of countries, Finland was the first State to reply to this invitation, on 18 November. In its reply the Finnish Government stated that, while it regarded the invitation favourably, Finland could only attend if all the other invited Powers also attended. On 17 December a Soviet Note was delivered to Finland expressing the Soviet Government's regret that 'the Finnish Government did not consider it possible to take part in an all-European Conference on European collective security', and went on to say: 'The Soviet Government assumes that Finland's Government will make its contribution to the task of creating a European collective security system.'

The receptions held by the Finnish Legations in Moscow and Peking on Independence Day, 6 December, were also made the occasion for political talks and statements which had clearly not been expected by the Finnish Government.

This new and more subtle pressure may be expected to continue in the future, but so far Finland has succeeded in maintaining her neutral position and has avoided committing herself further to the East. Whether the invitation to the Chairman of the Social Democratic Party, Mr Emil Skog, to visit Moscow will produce any further Russian demands remains to be seen, but it is unlikely that these would, in present circumstances, go further than those already mentioned.

N. F. B.

## *The Industrial Colour Bar in the Northern Rhodesia Copperbelt*

STRICTLY speaking the title of this article should be 'The Industrial Colour Bar in the Northern Rhodesian Coppermining Industry'. Long usage, however, has resulted in the word 'Copperbelt' being employed not only to refer to the geographical area of Northern Rhodesia (bordering on the Belgian Congo) in which the copper mines are located, but also as a sort of generic term for the industry itself.

Altogether some 6,000 Europeans and 37,000 Africans are employed in copper mining in Northern Rhodesia. Of the four large mines which account at present for the whole of the territory's copper production, two (Mufulira and Roan Antelope) are controlled by the Rhodesian Selection Trust, whilst the other two (Rhokana and N'changa) fall within the Group associated with the Anglo-American Corporation of South Africa. It is to be noted that Rhodesian Selection Trust is American-controlled, whilst the Anglo-American Corporation, despite its name, is a South African Company with little U.S. capital involved. For the purpose of negotiating wages and conditions with both European and African employees, the companies are associated in an employers' organization known as the Northern Rhodesia Chamber of Mines.

The European employees (other than supervisory and administrative staff) belong to a trade union founded in 1936 known as the Northern Rhodesia Mineworkers' Union, which is an exclusively European body, whilst African labour is represented by the Northern Rhodesia African Mineworkers' Trade Union, founded in 1949. In addition there is a European Staff Association, representing European supervisory and administrative staff, and an African Salaried Staff Association representing African non-industrial personnel, such as clerks, typists, and dispensers.

In the early days of the industry it was found necessary because of the backwardness of the local peoples to bring in Europeans for all except unskilled jobs. This has resulted in a situation where Europeans are doing certain jobs which could be undertaken today by Africans with proper supervision. African advancement in the industrial field, however, is at present entirely prohibited as the result of Clause 42 of an agreement on wages and conditions for Europeans, negotiated in 1946 by the Chamber of Mines and the

European Union. This provides that: 'The Company a work of the class or grade that is being performed, or being filled, by an employee at the time of signing this shall not be given to persons to whom the terms and conditions of this agreement do not apply.' As it was specifically decided in the agreement that 'employee' meant European and that the agreement only applied to members of the Union, the effect was to bar the employment of Africans in any category of job where Europeans were employed at the time of signing of the agreement. Africans who were already doing such jobs as a result of war-time dilution were, however, safe.

The Companies accepted this clause with great reluctance only because the then Government in the U.K., which was buying Rhodesian copper, indicated that a strike which would interrupt supplies was unacceptable; and ever since have been concerned to get the agreement of the European Union to the Clause being dropped. The Union, for its part, has refused to consider this step unless the Companies would take to give European rates of pay to any African they brought into the field covered by the clause, and made it clear that any unilateral attempt to modify or abolish the clause would be met by a general strike.

In consequence, for six years following 1947 there was a state of virtual deadlock. Despite repeated discussions between the Companies and the European Union, and the appointment of a Government Commission in 1947 under the chairmanship of Mr Andrew Dalgleish, no progress was made as the Union persisted in its refusal to agree to any modification of the 'Bar' clause unless the Companies would agree to 'equal work for equal pay', whilst until the British Government terminated its bulk-buying of copper in April 1953 the Companies were reluctant to take any action which might risk a strike. As such buying was at an end, however, the Companies took up the question of African advancement in earnest with the European Union and negotiations started in May 1953. Towards the end of 1953 the Rhodesian Selection Trust, one of the two Groups which had shown considerable signs of restiveness at the continuation of the negotiations to make real progress, and speculation developed as to whether it (R.S.T.) might not give the notice required to terminate so far as it was concerned the existing agreement between the Companies and the Union.

its termination might not offer Africans what jobs it thought fit.

The present article will discuss the background to this situation and the current state of negotiations on African advancement. (It is to be noted that despite the recent creation of the Federation of Rhodesia and Nyasaland, mining and labour relations remain the responsibility of the Territorial Governments. Any Government action which is called for is, therefore, the concern of the Government of Northern Rhodesia which is still responsible to the Colonial Secretary in London.)

#### THE BACKGROUND TO RECENT DEVELOPMENTS

In the early days of the industry it was found necessary to offer high wages to attract Europeans to live and work in a largely undeveloped country, and this tradition has since continued. The result is that the minimum European wage today is £100 per month, plus accommodation (consisting of a house and garden costing some £3,500) for which a rent between £3 and £4 a month is charged. Minimum African pay, on the other hand, is £5 per month plus free housing and food, worth at least £2 10s. per month. The top rate is at present about £24 per month plus housing of a European type if desired. Africans in the higher grades are expected to buy their own food and to pay rent of 10s. per month upwards depending on the standard of accommodation they desire. The figures for both Europeans and Africans cover basic wages, cost of living supplement, and copper bonus, but exclude overtime earnings.

The Companies contend that it is undisputed by all parties that the African in the copper mining industry is capable of industrial advancement, and claim that he has not yet been permitted to advance to the full degree of his capabilities because of the European Union's insistence on the principle of equal pay. They argue that the cost of employing him, if equal pay were conceded, would be prohibitive in comparison with the cost of employing a European, since (i) he is less adaptable and cannot easily be switched from one job to another; (ii) his basic mechanical knowledge is far less than that of a European, with the result that the wear and tear on machinery operated by an African is much greater; (iii) he is far less capable of coping with emergencies; (iv) he has a less responsible attitude to his work; (v) he regards the rural village as his real home and refuses in general to become a permanent urban dweller; he is therefore prone to absent himself

for months at a time and if he does return has to be trained (vi) for these reasons greater, and consequently more expensive supervision must be provided for the African, and even when this is done his productivity is lower than that of a European doing the same job.

The Companies point out that these shortcomings of African labour are not disputed by the European Union, and they therefore argue that the equal pay formula is being insisted on by the European Union merely as a means of preventing African advancement. Moreover they stress that common humanity demands the removal of present artificial barriers against the employment of Africans. Any job they are capable of doing should be ended. The question behind the scenes, however, has always been whether in default of agreement by the European Union to some degree of African advancement, the Companies should take unilateral action to bring this advancement about.

Rhodesian Selection Trust holds that in the present state of political development in Central Africa it is imperative to allow the problem to continue to drift. First, it feels that public opinion in the United Kingdom will be most reluctant to agree to any further progress towards full self-governing status for the Federation whilst it is still possible to point to blatant discrimination against Africans in Northern Rhodesia's principal industries. Secondly, it argues that the existence of such discrimination is a grave deterrent to the growth of any belief in multi-racial harmony amongst the African population of the Federation. Thirdly, it believes that if nothing is done there is the certainty of a racial explosion in a few years' time on the part of the African workers, whatever their present attitude may be.

The Anglo-American Corporation of South Africa, on the other hand, is opposed to pushing matters to extremes. In its view a European strike, which would inevitably involve laying off the majority of African workers, might well lead to violence and bloodshed, and if this happened race relations in the Federation would receive a most serious setback. Moreover the effects of such a development on U.K. opinion would be highly unfortunate. The Company's fundamental argument is that effective African advancement is dependent on the European employee being required to train and subsequently supervise those Africans who are given jobs of greater responsibility, and if, in these circumstances, advancement is forced willy-nilly down the European's throat

likely that he will sabotage it in practice. Furthermore, Rhodesian copper mining is only one of a vast number of interests owned by the Anglo-American Corporation in South and Central Africa, and however much it would like to do so the Group cannot afford to consider the position in Northern Rhodesia in isolation.

The European Union for its part asserts that it fully accepts the principle of African advancement in industry. In support of this contention it points to a joint declaration it made with the African Union in 1950 that 'African advancement in industry is a matter that it is agreed must take place. Where such advancement is to positions covered by agreement between the Northern Rhodesia Mineworkers' Union and the Mining Companies, then the principle of "equal pay and all conditions for equal work" shall prevail'. It argues, however, that the only way to prevent a lowering of the standard of living of the European in the industry is to insist on the well-established trade union principle that everyone employed in a particular category of work shall receive the same minimum pay.

Inevitably, as the African advances, he will compete first with the unskilled European. Such unskilled European labour as there is in Northern Rhodesia is employed in the Copperbelt in the type of job to which the Companies now desire to advance Africans. Despite the Companies' undertaking to find alternative employment in the industry, at the same or better pay, for any European displaced by African advancement, there remains the fear on the part of the least skilled European that he, or at any rate his children, will eventually be forced out of employment in the industry, and that as wages obtainable elsewhere are lower his standard of life will be reduced. Unskilled Europeans, however, form a very small proportion of the total European labour force, and the particular point just discussed is not in itself sufficient to account for the Union's attitude. Indeed, as the Forster Report<sup>1</sup> puts it:

We appreciate that the present attitude of the European Union, which is unacceptable to the Companies and is barring the African's advancement, and which, we think, will, if persisted in, bar the African's advancement for ever, is based on the fear that European living standards will be depressed and that they may even find themselves without employment. We feel that they are, in all the circumstances, unnecessarily

<sup>1</sup> Northern Rhodesia: *Report of the Board of Inquiry appointed to inquire into the Advancement of Africans in the Copper Mining Industry in Northern Rhodesia* (Lusaka, 1954.)

apprehensive. For the past history of African development, . . . the immensity of the task of creating an efficient and comprehensive educational system, and the apparently favourable prospects of industrial expansion, all suggest that Africans will be unable, within the foreseeable future, to climb so fast and so far as to endanger European employment in the Territory.

In fact, the Union's attitude reflects an anxiety about the future which is shared to a smaller extent by all the Territory's 50,000 white population when they see around them 2 million Africans. This springs from a vision of the European community in Northern Rhodesia being engulfed in a sweeping torrent of black nationalism touched off by an unwise policy of African advancement, and which it is felt might not be seriously resisted by the Government of the Territory, responsible as it is, in the last resort, to Whitehall.

The attitude of the African Union is confused. It is one of the paradoxes of the situation that it is not primarily interested in African advancement in the sense in which the phrase has been used hitherto, i.e., of Africans being allowed to advance to positions currently held by members of the European Union. Assuming that the proposals put forward by the Rhodesian Selection Trust were accepted in their entirety by the Anglo-American Corporation and the European Union, not more than 800 Africans out of a total Union membership of about 25,000 would be affected over the next seven or eight years (Anglo-American indeed would probably accept a very much smaller figure if it could thereby obtain the European Union's co-operation). In these circumstances the vast majority of the African Union's members have no great personal interest in advancement, and to them the more urgent problem is one of securing an advance in African pay generally. Indeed, falling membership caused the Union leaders to make a pay claim at the end of 1954 which bore little relation to reality, and when it was rejected they brought their members out on strike.

No barriers, either in practice or in theory, are operated by the European Staff Association to prevent the advancement of the African to the limit of his capabilities. Jobs which a few years ago were done by Europeans because there were no Africans capable of undertaking them, such as, for example, the less skilled clerical jobs, are now done by Africans at rates of pay related to the general African wage structure. As might be expected in these circumstances, the African Staff Association has no reason to support

the equal pay claim, and the Association in fact condemned it to the Forster Commission on the ground that it had been put forward in order to hinder African advancement.

#### DEVELOPMENTS SINCE THE BEGINNING OF 1954

At the beginning of 1954 it was agreed, at the suggestion of the European Union, to place the discussions on a quadripartite basis, those represented being the Companies, the European Union, the African Union, and the European Staff Association.

The proposals put forward by the Companies during these negotiations fell under five main heads:

- (i) A guarantee that any European employee displaced as a result of African advancement would be employed elsewhere in the industry on terms as good as, or better than, those he had enjoyed previously.
  - (ii) The Africanization of all 'ragged-edge' jobs still being done by Europeans, involving about eighty jobs in all which would be paid at around top existing African rates ('ragged-edge' is the name applied to certain types of job which when the 1946 freeze took place were being done in some mines by Africans and in others by Europeans).
  - (iii) Fragmentation of certain existing European jobs to enable the simpler duties to be given to Africans (e.g. if a European were in charge of a gang of twelve Africans at the ore face and was also responsible for shot firing for that gang, it might be possible to place an African in charge of each gang, making one European responsible for the general supervision of three gangs and for the shot firing for all three); Africans promoted to these jobs would receive somewhat higher pay than existing African scales.
  - (iv) A guarantee that the total number of jobs to be Africanized should not exceed 5 per cent of the total European labour force spread over a period of five years, thus placing a ceiling of 300 on the number of Europeans who would be displaced without further negotiations.
  - (v) In order to make the scheme attractive to the African Union, the creation of a number of totally new jobs in the African field, where there would be no question of conflict arising with the European Union (e.g., posts for welfare supervisors).
- These proposals taken as a whole, the Companies asserted,



would cost them more than the existing arrangements—a fact which they claimed was an effective answer to any allegation that their real object was to get cheap labour.

While these negotiations were still proceeding a separate series of direct discussions took place between the European and African Unions under the chairmanship of Sir Will Lawther, President of the National Union of Mineworkers. The latter discussions resulted in a joint public statement being made by both Unions on 25 March 1954. This declared: '(i) that the validity of the African Mineworkers' aspirations to advancement in industry is recognized, and that both Unions pledge themselves to strive unceasingly with all effort in order to realize that just demand; (ii) that it is in the interests of the maintenance and improvement of living standards of all mineworkers that the principle of equal pay for equal work and responsibility must apply within the mining industry of Northern Rhodesia.'

Despite this intervention, the main negotiations proceeded on the basis of a detailed examination of methods of implementing the Companies' proposals, and some progress was made. But the full executive of the European Union had become increasingly anxious about the concessions being made in its name, and on its instructions the European Union's representatives suddenly broke off negotiations on 24 July. A statement setting out the Union's reasons for taking this step declared that the withdrawal of the European Union from the negotiations was 'the direct result of the stated policy of the Northern Rhodesia Chamber of Mines to advance Africans to jobs now done by the Northern Rhodesia Mineworkers' Union at a differential, inferior wage and to split up existing jobs'.

Faced with this situation, the Northern Rhodesia Government announced on the same day its intention to appoint a Commission under the chairmanship of Sir John Forster, Q.C., President of the National Arbitration Tribunal and Chairman of the Industrial Court in the U.K., to go into the question of African advancement in the copper mining industry. Its terms of reference were:

- (i) To ascertain whether there is anything to prevent African employees from advancing in the copper mining industry in Northern Rhodesia to the full extent of their capabilities;
- (ii) if there is, to investigate; and
- (iii) . . . having regard to the interests of all persons employed in the industry, and to the well-being of Northern Rhodesia and the Federation of Rhodesia and Nyasaland, to make recommendations.

The Commission reported at the end of September 1954. Its findings, to which some reference has been made earlier, were (in summarized form): (i) The African in the copper mining industry was being prevented from advancing to the limit of his capabilities. (ii) The reason for this was the insistence of the European Union on 'equal pay' as a prerequisite to its agreeing to waive Clause 42 of the 1946 agreement between itself and the Companies. (iii) The insistence on 'equal pay' where advancement took place would in practice permanently debar the African from such advancement. To concede it generally in the industry as the African Union had suggested would have disastrous effects on the whole economy of the Federation. (iv) The Companies' proposals were reasonable, and even if the principle of 'equal pay' were to be waived by the European Union, it would also be necessary to permit 'fragmentation' of existing jobs if a real opportunity of advancement were to be offered to Africans.

The Forster Report had no visible effect on the standpoint of the European Union, and at the beginning of November the managements of the two mines controlled by the Rhodesian Selection Trust formally gave the European Union the six months' notice required to terminate the 1946 agreement. R.S.T. decided in December to suspend the operation of this notice for three months, in order to facilitate the holding by the Union of a ballot among its members as to whether or not the majority of them would insist on the maintenance of the 'equal pay' principle as a prerequisite of African advancement. This ballot, taken at the end of January 1955, resulted in a substantial majority in favour of not insisting on the 'equal pay' principle, and in addition it showed a 60:40 majority in favour of the principle of accepting some African advancement, together with the necessary arrangements to secure it, such as limited fragmentation. In view of this the R.S.T. withdrew its notice so as to enable further negotiations to be conducted without suggestion of duress.

But the problem is very far from solution. On the one hand the Union is likely to prove very difficult when it actually comes to discussing which jobs should be fragmented. On the other hand, R.S.T. has issued a statement reiterating the general principles of the proposals put forward at the beginning of 1954, with the provision that it cannot now agree to any numerical limitation on the number of Africans to be advanced since this would be a perpetuation of the colour bar in another form; though it would be

prepared to agree with the European Union on a system of certificates of competence for which an African would have to qualify before being promoted to a particular post. Furthermore, last January's strike of African miners for higher pay has tended to make the climate of European opinion distinctly more intransigent on the question of African advancement, though somewhat surprisingly a further ballot, insisted on by the Executive of the European Union to ascertain whether its members were still willing to allow some African advancement, more or less repeated the general pattern of voting of the previous ballot—a fact which suggests that the Executive may be more active in opposing African advancement than the outlook of the majority of members of the Union would warrant.

#### THE POLITICAL ASPECT

Whether directly or indirectly, the Governments of Northern Rhodesia, the Federation of Rhodesia and Nyasaland, and the United Kingdom are all interested in the problem of African advancement in the Copperbelt.

As has been pointed out earlier, the responsibility for mining and labour relations, in so far as they are Government problems at all, rests exclusively with the Government of Northern Rhodesia. This is a Government where there is a division of responsibility between the Governor, who is ultimately answerable to the Colonial Office in London and who must ensure that the policy of the local Government is acceptable to Whitehall, and Unofficial Members of the local Legislature. On the one hand, not only is there a majority of Unofficial Members in the Legislature, but (subject to the overriding authority of the Governor) responsibility for the administration of certain departments is entrusted to certain Unofficial Members of the Legislature who have recently been given the title of 'Ministers'; there is moreover a convention that where these 'Ministers' are unanimously agreed on any question of general Government policy the Governor, while not bound to follow their advice if he thinks the reasons for rejecting it sufficiently weighty, shall normally accept it. On the other hand, the numerical balance in the Legislature is deliberately arranged so that the elected Unofficial Members (who are chosen by an overwhelmingly European electorate and are in fact themselves all Europeans) can be outvoted if the Official Colonial Civil Servant Members, who must vote in accordance with any direc-

tions given by the Governor, and those Unofficial Members who represent African interests, vote together. Similarly, one of the Ministerial positions referred to above is held by an Unofficial representing African interests. Hence on any controversial question affecting race relations a purely European outlook would be most unlikely to command a majority in the Legislature and would be equally unlikely to command unanimity amongst the Unofficial Members of the Government itself.

There is no doubt that the Official side of the Northern Rhodesian Government, reflecting as it must on major issues of policy the attitude of Her Majesty's Government in the United Kingdom, is strongly opposed to an industrial colour bar. If Government action could make a material contribution to the abolition of that colour bar, there is little doubt that steps would be taken to ensure that the Official view prevailed whether or not it commanded general support from the Unofficials. As the Forster Report made clear, however, action to be effective must come from inside the industry itself. Within the context of the sort of legislation that would be regarded as reasonable in peace-time under the British political system, there is nothing which at the moment could really affect the situation. Any impression that the Government was putting out 'Whitehall propaganda' might well tend to push moderate European opinion in the Territory towards endorsing the European Union's case rather than the reverse. On these grounds the Northern Rhodesia Government has been most restrained in the views it has publicly expressed on the subject. Indeed, it has on occasion been criticized by the Mining Companies for not giving greater public support to their efforts to persuade the European Union to moderate its stand.

The Federal Government, for its part, has three definite but indirect interests in the situation in the Copperbelt. First, taxation on the copper industry provides something like 30 per cent of the Government's revenue. Secondly, all the Armed Forces in the Federation are under the Federal Government's control. In the event of serious disturbances in the Copperbelt these might have to be used, thereby involving the Federal Government. Thirdly, the Europeans in Northern Rhodesia elect eight members to the Federal Parliament. At the Federal elections the Confederate Party, which is less progressive on racial matters than Sir Godfrey Huggins' Federal Party, received something over 30 per cent of the total votes cast, and an indeterminate number of electors

voted for Sir Godfrey because of his record of achievement although their basic political inclinations would have suggested voting for the Confederate Party. These electors might well return to the Confederate fold in the event of a major showdown being forced in the Copperbelt. On all these grounds there is a good deal to be said from the Federal Government's viewpoint against the policy of forcing the pace which is being followed by the Rhodesian Selection Trust. On the other hand, Sir Godfrey is very conscious that when further constitutional steps towards full self-governing status for the Federation are discussed public opinion in the U.K., before readily agreeing to such steps, will require to be satisfied that obvious cases of racial discrimination of the kind that at present obtain in the Copperbelt have been eliminated. Moreover, he is by outlook and temperament opposed to this sort of discrimination.

In view of this delicate situation the Federal Government has taken great care to make no official pronouncement on the Copperbelt question. Nevertheless it would probably not be very wide of the mark to say that the Government's views combine the hope that the problem can be solved without large-scale industrial trouble or worse, with the desire to see the industrial colour bar in the Copperbelt totally abolished at the earliest possible date.

The considerations outlined in connection with the policy of the Northern Rhodesia Government weigh equally with the Government of the United Kingdom. On a matter of this sort where the Secretary of State for the Colonies must be prepared to justify the Northern Rhodesia Government's policy in the House of Commons, and where in consequence there is constant consultation between the Secretary of State and the Governor, it is unrealistic to think in terms of there being one policy which is pursued by the Northern Rhodesia Government and a second, different, policy urged by the Government of the United Kingdom. The U.K. Government's attitude to the equal pay issue was, however, made quite clear by the Colonial Secretary (Mr Lennox-Boyd) himself when he recently said in Parliament. 'It is of the first importance, for example, in Northern Rhodesia that phrases which have great application here in our highly developed life in Britain like "equal pay for equal work" should not be used in the context of Africa so as to provide a deterrent or even a complete bar to African advancement'.<sup>1</sup>

<sup>1</sup> Hansard, House of Commons, 3 December 1954, col. 499.

Restrictive practices are not things that can be got rid of by Government dictation, whether they exist in the U.K. or in Northern Rhodesia, and it is clear that any solution must come from action within the industry itself. Any measures which reduce existing barriers to the possibilities of a man's advancing, irrespective of colour, to the full extent of his ability, deserve a welcome; but it is difficult not to agree with Mr Ronald Prain, Chairman of the Rhodesian Selection Trust, that an essential feature of any permanent solution must be the rejection of all arrangements imposing a predetermined ceiling to the number of Africans who can secure advancement.

P. W. H.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

9

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERTS

# THE WORLD TODAY

Volume 11 No. 6 June 1955

\*

## *Notes of the Month*

### *Austria: The End of a Chapter*

THE signing of a State Treaty for Austria on 15 May marked the end of one chapter and the beginning of another for this small Central European Republic: after ten years of quasi-sovereignty Austria is to become one of Europe's neutral countries, with a status oscillating between that of Switzerland and of Finland. Only time can tell how this new status will work out. For Austrians of over forty it will be the sixth system under which they have lived, from the Danubian Monarchy through the First Republic, Dollfuss's Corporate State, the Nazi regime, and Four-Power tutelage; and this should be enough change for one life-time.

It has repeatedly been stated in these pages that the grant of full freedom for Austria depended on one country, and one country only; and now Russia has not only withdrawn some of her earlier political conditions but has made concessions in the economic field as well. The price that Austria will have to pay for her freedom is made up of £50 million worth of goods to be delivered over the next six years in payment for the so-called 'German assets'; plus \$2 million (c. £715,000) in cash for the Danubian Steamship Company; plus one million tons of crude oil annually (about one-third of total output) for the next ten years. An official trade delegation was to leave for Moscow on 31 May to discuss the nature of the compensation goods as well as Austro-Russian trade in general.

It is a high price to pay for a small country living on a narrow margin, but it is an improvement on the terms originally agreed in the draft treaty where, in addition to the payment in goods to the value of £50 million, Russia was to have retained the oil wells for twenty-five to thirty-five years and the Steamship Company in perpetuity; and it is not surprising that the Austrians, who had had the good sense in 1945 to reject the proposal of mixed Austro-



Russian companies, objected strongly to the continuance of foreign-owned economic organizations in their country. Now they feel that they can at long last be masters in their own house, and the great debate has started between the Socialists and the People's Party on the relative merits of public ownership and private enterprise in the running of the larger enterprises to be surrendered by the Russians. To complicate matters, the German Federal Republic has protested against the four-Power ruling that only assets of private persons up to a value of about £3,700 may be returned to them, and demands in effect a general settlement of the thorny question of German property in Austria, amounting possibly to two-fifths of all frozen German assets abroad. While officially Austria does not take this demand too seriously, pointing to a long list of counter-claims against Germany, she cannot afford to antagonize a prosperous and influential neighbour.

On the political plane the State Treaty contains nothing which either the Austrians or the Western Powers can object to. The declaration of neutrality which the Austrian Parliament is to pronounce merely recognizes the facts of geography and present Power relations, and if Western military strategy has to be revised in consequence of the evacuation of Austria the removal of Soviet military and political personnel from Vienna and Eastern Austria will make for greater political security in the country. But it is the wider implications of the State Treaty which raise a number of new issues.

The Soviet rapprochement with Yugoslavia, announced while the Foreign Ministers were still engaged on the Treaty, and the ready acceptance of the proposed meeting 'at the summit', are indications of the extreme fluidity of the situation. It may be that Russia genuinely wants to unfreeze the cold war; or it may only be that she tries, as Americans have suggested, 'to get at Bonn by way of Vienna and Belgrade'. The Austrian settlement and the proposed negotiations have naturally made a strong impression on public opinion in Germany. The announcement on 18 May that the Federal Chancellor was recalling the German Ambassadors in London, Paris, and Washington seemed to show that he is concerned that his treaty partners should be accurately informed of his own views regarding any possible Russian offers. Dr Adenauer's position has been strengthened by the formation of new *Land* governments, after recent elections in Lower Saxony and the Rhine Palatinate, and he is now assured of the two-thirds

majority needed to pass defence legislation through the Federal Parliament. It should be noted, moreover, that the Leader of the Opposition, Herr Ollenhauer, on 17 May dissociated the S.P.D. from the idea recently discussed in the Federal Republic that a reunified Germany might form part of a neutral group of nations from Scandinavia to Yugoslavia, separating Western from Eastern Europe.

### *The Constitutional Crisis in South Africa*

THE continuous crisis in South Africa bears witness to the remarkable subtlety and persistence of the Nationalist politicians. No one is ignorant of their real aims which, indeed, Mr Strijdom announced with gusto in a speech in the South African Parliament on 20 April. *Apartheid*, *baasskap*, and a Republic as soon as a majority decision is given in favour of it are objectives he always keeps in view, and to these he now adds the sovereignty of Parliament. If, he says, the Opposition did not oppose the sovereignty of Parliament by fighting to preserve the entrenched clauses in the Constitution, there would be no crisis. These extreme views are put forward with studied constitutional propriety and, when a press report from South Africa alleged that Mr Strijdom had spoken provocatively about the monarchy, the allegation was firmly rebutted in a letter to *The Times* (16 May 1955) by an official at South Africa House.

No responsible statesman suggests that a South African Republic should try to stand alone in the world, quite apart from the Commonwealth. Mr Strijdom's policy, if nicely balanced, is clear and consistent and, while almost no one can be found in the whole world to support him outside the ranks of his own party, those who oppose him have divided aims and incongruous plans. As evident as the firm direction in the Nationalist Party has been the weakness of the Opposition and the tepidity of the liberal reaction in South Africa. Perhaps the events of May 1955 foreshadow a re-arrangement of political forces. Of one thing the external observer may be sure: all parties in South Africa are highly sensitive and will resent outside criticism of their domestic affairs almost as hotly as they would resist a threat of intervention.

The troubles at Fort Hare could not be directly ascribed to the Government; the Bantu Education Act is being enforced with less dislocation than its opponents feared; the re-housing of the

Sophiatown Africans passed off without alarming incidents. The abolition of the historic Cape Franchise for coloured men, established a hundred years ago and protected by a clause of the Act of Union, is a logical next step in Mr Strijdom's programme. It might have got by—as so many other steps towards *apartheid* have got by—if the larger constitutional issue had not, at this point, been invoked. The Act was invalidated by the Supreme Court.

The Appellate Division Quorum Bill, which enabled the Government to appoint more judges of their own choosing, was passed through both Houses with haste but according to precedent. Its opponents could merely protest that no explanation of its necessity was offered, other than the necessity that the majority in Parliament ought to be supreme. Was it not by packing the Supreme Court that Roosevelt overruled the veto upon his 'New Deal'?

Having cleared away this obstacle, Mr Strijdom has proceeded to re-insure by a Bill to alter the Constitution of the Upper House, where a complicated method of indirect election provides a measure of provincial autonomy. The new Bill implies that the party having a majority in the Lower House can count upon a majority in the Upper House also. In effect it will give the Nationalists power to form a one-party State, though they protest that it is not their intention to do so. If not, what else have they in mind?

But the Nationalist Party never has been and is never likely to be monolithic. The Afrikaner political tradition is one of independence and individualism, and the Afrikaners are not Calvinists for nothing. More significant than the protests from Natal, a loyalist—or, should one say, a dissident—province, and the actions of the United Party which declines to debate so bad a Bill, are the protests which have been made from the Universities, especially from the Afrikaner University of Pretoria. When Afrikaans-speaking professors of law and theology line up against the Government their protest cannot be ignored.

### *The Bandung Conference*

THE first suggestion for a conference at which all the independent African and Asian countries should be represented was made in January 1954 by the Indonesian Prime Minister, Dr Ali Sastroamidjojo, when agreeing to the proposal for the meeting between Burma, Ceylon, India, Indonesia, and Pakistan which

took place in Colombo in May 1954 to consider the Indo-Chinese situation. The Indonesian Prime Minister later followed up this suggestion at the Colombo Conference, and it was agreed at the subsequent meeting of the same five countries at Bogor in December 1954 that an Asian-African conference should be held.

The communiqué issued at Bogor made it clear that the Colombo Powers, as they had come to be called after their meeting there in May, had no specific object in view in calling this wider conference. It was designed 'to promote goodwill', 'to explore and advance their mutual as well as common interests', 'to consider social, economic, and cultural problems', and 'to view the position of Asia and Africa and their peoples in the world today'. The communiqué made it plain that the agenda for the conference would be drawn up only when the delegates had arrived at Bandung, and it specifically stated that the convening countries had not decided 'that the participating countries should build themselves into a regional bloc'. The intention in fact was to give the countries taking part an opportunity of becoming better acquainted with each other's point of view and to enable personal contact to be made by the senior Ministers. The Indonesian Ambassador to India remarked of the proposed conference in February 1955 that it would be 'of the same pattern' as the Commonwealth Prime Ministers' Conferences, and the sponsors were at pains to point out that there would certainly be differences of view amongst the participants.

The initial American reaction to the conference was one of suspicion, based essentially on the feeling that it would above all provide an excellent opportunity for Mr Chou En-lai to meet and influence the leaders of the Asian and African countries; and there is no doubt that the conference did in fact do just this. But American suspicion was greatly reduced by the consideration that there would be present at the conference, besides China, a number of countries linked to the United States by agreements based on a fear of Communism, and that the conference would not therefore provide an entirely clear field for Chinese propaganda.

The countries invited covered almost all the independent States of Asia and Africa including one or two whose independence is not yet quite complete. There were however some interesting omissions. It was made plain from the beginning that the Union of South Africa would not be invited and would indeed be a target for criticism. Equally, territories such as Malaya, Goa, and Timor

were excluded by the terms of reference, and this presumably applied also to Tibet. Of the other countries which might have been invited, Israel was clearly excluded because of objections from her Arab neighbours, but it is not clear why no Korean representative was invited though both North and South Vietnam were; nor why Nigeria was not invited though the Gold Coast was; nor why a number of minor countries such as Kuwait and Bhutan were overlooked. The only country invited which declined the invitation was the Central African Federation. Those countries which accepted were in general represented by their Prime Ministers or other senior Ministers, and the conference was therefore, despite the omissions, one of the most comprehensive meetings of Prime Ministers ever held.

The conference was opened by President Soekarno of Indonesia on 18 April and finished on 24 April. Its general meetings were open to the press, but many of its other meetings, particularly those of the political committee, were closed, which provided a useful opportunity for the reaching of compromises on the wording of the final set of resolutions. The official language of the conference was, perhaps not surprisingly, English.

Many of the countries which came to the conference had particular axes to grind, some of the most controversial character, and there were present in addition protagonists of a variety of causes. Moslems from Turkestan protesting against Chinese and Russian oppression; Archbishop Makarios from Cyprus demanding Enosis, and even the ex-Mufti of Jerusalem.

On his arrival at Bandung on 16 April Mr Nehru expressed the view that the conference should not deal with specific problems but should confine itself to broad principles on which unanimity could be achieved. Nevertheless the Arab States were determined to discuss both the Palestine problem and French North Africa. The Indonesians insisted on pursuing their dispute with the Dutch over West New Guinea. The Formosa problem was inevitably raised. The South African Government was attacked for racial discrimination; and the Yemen even managed to have a reference made in the final communiqué to its claims in the Aden Protectorate. But, so far as can be judged from outside, the most contentious aspect of the discussions arose as a result of the strong attacks made by a number of the countries present on Communism as a new form of colonialism. In the final communiqué the vigorous resolution put forward on this subject

tered down, but it was nevertheless plain that there were divergences of view on the reliability of the two great Communist States as neighbours.

personal success of the conference was undoubtedly Mr Chou En-lai. He refused to be provoked by the attacks on Communism, he displayed extraordinary reasonableness throughout, made the conference the occasion for a number of gestures in favour of peaceful coexistence. These included the signing of an agreement with Indonesia on the dual nationality of Chinese, a matter which has been a source of uneasiness to several South-East Asian countries; an agreement between North Vietnam and South Vietnam whereby the Communist Vietnamese undertook to disavow claims on the two northern provinces of Laos which under previous agreements their forces were to evacuate; and a statement in which Mr Chou En-lai offered to discuss the question of Taiwan with the United States. Mr Chou En-lai succeeded in making a favourable impression even on so vigorous an anti-Communist as John Kotelawala, the Prime Minister of Ceylon, and he went home much better pleased with the results of the conference than Mr Nehru, who was clearly disconcerted at times by the open disputes which occurred between Asian nations.

One of the last acts of the conference was to adopt a resolution proposed by Mr Chou En-lai, recommending that the sponsoring States should consider the holding of another conference. No date or place for such a conference were put forward, however, and it remains to be seen whether the Bandung Asian-African Conference will turn out to be the first of a series or, like the Asian Relations Conference of 1947, a solitary pheno-

## *Israel after Seven Lean Years*

THE seventh anniversary of Israel's emergence as a State has provided both the nation's leaders and outside observers with a suitable opportunity for measuring the progress made since independence was proclaimed amidst rapidly gathering war clouds in Tel Aviv on 14 May 1948. As in previous years, the Army took pride of place in the official celebrations held at Ramat Gan on 27 April (the shift in date being due to the Jewish calendar's indifference to Gregorian innovations), and the occasion was marked by a challenging speech delivered by Mr Ben Gurion, who had only recently returned to Mr Sharet's Government in the capacity of Defence Minister. The State had been sanctioned by the United Nations, but created by the people's own force, he told his audience, and its future would depend on internal developments a good deal more than on external repercussions.<sup>1</sup> Fine words and platonic decisions at U.N.O., where Israel's case against her Arab neighbours was being consistently ignored, did nothing to reassure the people of Israel, but they need not fear an Egyptian-led attempt to reverse the 1948-9 settlement by force. 'If Salah Salem and his friends want the Negev, let them come and get it. The Israel defence force will give them a warm welcome.'

A few days later, in an interview with the *Sunday Times* correspondent,<sup>2</sup> Mr Ben Gurion repeated this warning, adding for good measure that Sir Anthony Eden would have to send British troops to make Israel give up territory as part of a settlement, 'and we shall fight them, knowing that we shall be defeated'. He did not know, he added, what Sir Anthony had had in mind when he told the House of Commons that frontier revisions were an essential part of any Arab-Israel settlement, but the only territorial alterations Israel was willing to consider were minor ones which would have to be balanced by similar concessions from the other side. As for the settlement of Arab refugees, it was the responsibility of the Arab Governments who in 1948 had forcibly attempted to set aside the 1947 U.N. partition resolutions to which they now appealed. In any case no one ever mentioned the loss of property suffered by the Jewish community in Iraq which had been compelled to leave that country in 1951.

<sup>1</sup> *Jerusalem Post*, 28 April 1955.

<sup>2</sup> *Sunday Times*, 1 May 1955.

Mr Ben Gurion's uncompromising tone was generally taken to reflect a stiffening due in part at least to the sense of isolation suffered by responsible Israelis since the conclusion of the Turco-Iraqi treaty under which the Turkish Government bound itself to support the Arab position on the 'Palestine question'. While British official opinion saw in this development a departure from the traditional sterility of Arab League politics which Israel had reason to welcome, Israeli comment fastened on the Turkish Government's apparent abandonment of its former attitude of friendly neutrality towards Israel, and on the latter's exclusion from an agreement to which the United Kingdom promptly adhered and which was clearly designed to constitute the fulcrum of Middle Eastern defence arrangements. Israeli proposals submitted in Washington and London at about this time for bilateral defence treaties between the Western Powers and Israel evoked only moderate interest in either capital, and in the British case at least passed almost without public comment.

In other respects the prevailing mood in Israel on the seventh anniversary of the State's founding could more properly be described as one of 'wait-and-see', with the emphasis on the advantages to be gained from a lengthy period of peace and economic development. This attitude to some extent cut across the more militant mood of a few of the younger Army officers and their political friends, now for the most part located in the no-man's-land between Mr Ben Gurion's and Mr Sharett's Israel Labour Party (Mapai) and its left-wing rival, Mapam. With the latter apparently in dissolution—the pro-Communist elements splintering off in one direction and the patriotic groups in another—Mapai could look forward with some equanimity to the elections to the third Knesset (Parliament) due this summer; but the presence to its left of a growing 'ginger group' of former military commanders and Socialist *kibbutz* organizers has a long-range significance for the outlook of the younger generation which it would be unwise to ignore, the more so since some of the most ardent advocates of an 'activist' foreign and defence policy are to be found among this grouping. Such a close association between left-wing and patriotic elements, inside and outside the military forces, is not altogether unknown in other Middle Eastern countries, but in Israel its importance is enhanced by the fact that the labour movement was the backbone of the fight for independence. There is indeed a persistent tendency on the part of Mapai



leaders and Histadruth organizers to regard their 'bourgeois' coalition partners as somewhat weak-kneed in matters affecting the State's safety, and unduly prone to take Western public opinion into account. This unspoken attitude on the part of the country's dominant political forces is something quite different from the sentimental pro-Sovietism of the now dwindling Mapam sect which retains its utopian faith in the possibility of a peaceful understanding with Arab 'progressives'.

If 'wait-and-see' remains the official watchword, despite growing uneasiness over the effects of rearmament in the neighbouring countries, the ultimate sanction for this attitude (which does not exclude occasional minor forays on the lines of the recent Gaza incident) is provided by mounting evidence of economic consolidation and progress since mass immigration came to an end early in 1952. Governmental leaders, business men, and economists are on the whole agreed in holding that Israel is winning the economic race against time implied by the necessity of making the country economically independent within a decade or so. In this context 'economic independence' is primarily understood to signify ability to pay for current imports out of Israel's own earnings, plus such (dwindling) support as American and world Jewry may be willing to provide on a more or less permanent basis. It clearly does not mean independence from world market fluctuations, or from the necessity of investing capital in what is fundamentally a poor country with very limited natural resources except for potash. The somewhat arbitrary date of 1965, now prominent in public discussion of this issue, is loosely linked to the flow of German reparations which, under the terms of the 1952 agreement,<sup>1</sup> must come to an end about this time. In actual fact the bulk of German deliveries is likely to have been invested or consumed before this date. Including fuel bought with reparations funds provided by the Federal German Government (mainly from blocked sterling accounts), Israel by the end of 1954 had already ordered goods valued at almost \$200 million, out of a total of slightly over \$700 million destined for Israel on reparations account.<sup>2</sup>

This sum, however, represents only a fraction of the total funds obtained by the Israeli Government since the establishment of the

<sup>1</sup> Ratified by the Bundestag on 18 March 1953, but retroactively in force since October 1952. See 'German Reparations to Israel', in *The World Today*, June 1954.

<sup>2</sup> Statement by Mr L. Eshkol in introducing the 1955-6 Budget estimates on 8 February 1955.

State. Including both public and private investments, U.S. grants-in-aid and semi-governmental as well as private loans, German deliveries, donations from the United Jewish Appeal and other American and non-American Jewish institutions, Israel bond issues, and various gifts or loans, it has been computed that Israel during the past seven years has been able to call upon external resources to a total value of some 2,000 million U.S. dollars.<sup>1</sup> Even bearing in mind that a very large part of this impressive total has had to be spent on the task of integrating some 700,000 newcomers into an economy disrupted by the flight of most of the Arab peasant population, this is a very substantial sum. It is therefore not surprising that the process of investing it in the Israeli economy has been accompanied by a steady volume of expert and inexperienced criticism, the main charge being that an undue proportion of these funds has been devoted to the maintenance of a standard of life which Israel at present is not really able to afford. The bill of charges against the Government (and against private industry as well, for Israel has a mixed economy whose private sector is both active and growing) has been well summarized by Mr Livneh in the article already quoted. It can be reduced to the following main points:

- (i) Less than half the total amount available from external sources (other than ordinary commercial exports) has been used for investment purposes, and the proportion genuinely invested in productive enterprise (industry, agriculture, and construction) may not have exceeded one-quarter.
- (ii) Although mass immigration came to an end late in 1951, and the number of immigrants has fallen very sharply, the country's dependence on external aid has not substantially diminished.
- (iii) The social structure of the population is not conducive to a marked and rapid rise in productivity. Up to 1954 at least there has been a tendency for the share of agricultural and industrial workers in the total earning population to decrease, and for the number of civil servants and office employees to grow both absolutely and relatively. Only 38 per cent of all wage-earners are gainfully employed in the various phases of the productive process, the corresponding pro-

<sup>1</sup> *Jewish Observer and Middle East Review*, 4 March 1955. The estimate is based on figures compiled by Mr E. Livneh, a member of the Knesset, who, although a member of Mapai, has usually been critical of governmental policy in the economic field.

portion being 46 in Britain, 55 in Belgium, 60 in France, and 61 in Austria.

- (iv) Private capital investment provided from abroad, as from welfare donations and loans, has steadily been reaching its lowest point so far in 1954. Foreign investors as a whole do not tend to grow more confident of their country and productivity in Israeli industry shows no sign of reaching a level commensurate with the European standard of living to which the Israeli working class is attached.

These criticisms, notably the last-mentioned, are significant coming from a member of Mr Ben Gurion's party with access to opportunities for gauging the state of mind of leading officials, trade union leaders, and economists. To some extent they are echoed by the more 'austerity-conscious' elements on both sides of the political fence, the principle of the semi-'mixed economy' not being seriously in question. In part there is no secret that some of the foreign economic advisers employed by the Government in consultative capacities have shown themselves sharply critical of the official attitude, though the severity of such criticism has diminished since the policy of mass immigration and the concomitant inflation of the currency, were generally reversed from 1952 onwards.<sup>1</sup>

The official standpoint—which to some extent is shared by groups outside the Government coalition—acquires a certain defensive tone from the frequent suspicion that the critics are directing their shots at the living-standard of the working population. Unlike her neighbours, Israel is structurally a democracy, though South European rather than the Western type, and while saddled with an agrarian problem she suffers from all the disadvantages of a relatively inflationary economy owing to the considerable strength of the organized labour movement. There can be no question of depressing the latter's living-standard substantially below the present level, nor can Israel obtain a high investment rate by the familiar expedient of letting a disproportionate share of the national income accumulate in the hands of a small privileged stratum. Such policies being out of the question,

<sup>1</sup> In discussing this subject with some of the Government's economists in May 1954, the writer found that criticism fastened in particular on two points: a residual tendency to give priority to non-economic considerations, and a certain reluctance to inform the public of such disagreeable facts as the drop in the rate of investment. It is only fair to add that greater realism in policy and in official pronouncements, has made itself felt in recent years.

there remains the problem of raising both productivity and exports fast enough for the balance of payments to present less of a problem, if not tomorrow, at least in five or ten years..

It is the belief of the Israeli Government that this aim is feasible and that progress is being made towards its attainment. The 1955-6 foreign currency budget published at the end of March<sup>1</sup> holds some pitfalls, not the least of which is the continued uncertainty over the exact claim made upon the State's foreign currency income by defence needs. But progress in at least one sphere is indicated by the disclosure that the trade deficit has steadily narrowed since 1951, falling from a total of \$225 million in that year to \$167 million in 1953, with a further drop in the following year when exports rose by almost 50 per cent, from \$56,400,000 in 1953 to \$84,300,000 in 1954. Since the population grew by about 3 per cent in 1954, while world market prices also tended to rise, it is not surprising that imports increased somewhat, leaving a trade deficit in the neighbourhood of \$150 million (the exact figure is not available). This deficit, however, must be viewed in the context of the overall payments balance which includes capital investment and reparations deliveries, as well as loans and U.S. grants. The Finance Minister's forecast for 1955-6 suggests total foreign currency requirements to the amount of \$368 million, i.e. \$22 million more than in 1954-5. In part this growth is accounted for by higher import prices, the total allocation for consumption items being placed at \$205 million, against \$177 million in 1954-5. This change is defended partly on the ground that some import prices have gone up, partly by pointing to the necessity of 'saturating' the domestic consumer market with certain scarce items in order to avoid internal price rises. An extra \$8 million is to be spent on extraordinary imports necessitated by drought (wheat, feed grain, and oil cakes) This leaves rather less for capital goods imports (\$86.15 million as against \$88 million last year), and for debt repayment (down from \$40 million to \$22.5 million), the latter item having lost some of its urgency owing to the success of last year's 'consolidation loan' underwritten by American Jewish donors. Raw material imports for industry are placed at \$50 million.

The publication of such forecasts does not, of course, answer the question of where the funds are to come from, but in the case of certain of them the prospect can already be estimated with a good

<sup>1</sup> *Jerusalem Post*, 12 April 1955.

deal of accuracy. Thus the U.S. grant-in-aid is expected to total \$48 million as against \$74 million last year, while the net income of the Jewish 'national institutions' is provisionally placed at \$47 million (as against \$65.5 million in 1954). Development Loan subscriptions in the United States may or may not equal last year's total of \$32 million. The remaining sources must, on this assumption, yield \$241 million to make up the full balance of \$368 million. This would represent \$66.5 million over and above last year's income from those sources: exports, private capital transfers, and German reparations. The latter are expected to yield \$84 million, while exports of commodities should increase to \$90 million, plus minor earnings from shipping, tourism, and other 'invisible' items. The official forecast also assumes that private capital transfers will rise by one-third to \$20 million, an estimate received with caution in quarters not unfriendly to the Government.<sup>1</sup>

It is evident from these figures that the expansion of Israel's export trade must for many years continue to have first priority. Of the \$84 million-worth exported last year, the United Kingdom absorbed \$19.4 million, principally in the form of citrus products. The U.S.A. was next with \$14.1 million (mainly industrial diamonds), while Turkey followed with \$12.9 million. How far the latter market will be affected by recent political developments is not yet clear. Turkey was followed in importance by Finland, Russia, and Belgium. 'Hard currency' exports accounted for 32 per cent of the total, while 60 per cent of all trade took place under clearing agreements, barter trade declining from 10 to 8 per cent. Critics are apt to make the point that in relation to Turkey, at any rate, trade which consists of exchanging 'inferior Turkish cotton for unsaleable Israel manufactures' is not really far removed from barter. But there is nothing unusual in such teething troubles. The long-term problem of raising industrial productivity to genuinely Western levels, especially as to quality, has admittedly been solved only by a few leading manufacturers. In this respect, however, Israel faces problems with which other Mediterranean countries have long been familiar.

The broader picture is characterized by such facts as the virtual absorption of almost all the 700,000 immigrants who have entered the country since 1948, and of whom 140,000 are now employed in agriculture. Irrigation has extended the area of intensive cultiva-

<sup>1</sup> *Jerusalem Post*, 12 April 1955

tion from less than 300,000 dunams in 1948 to 700,000 dunams today, and the influx of German reparations deliveries makes itself felt in the rapid development of a capital goods industry and services quite new to the country—annual electricity output is expected to go up from the present 130,000 kwh to 370,000 kwh in 1957-8, and railway stock is being thoroughly modernized. These are processes whose impact on the economy must eventually bring about something much closer to the standard European model. Meantime the planners are bound to keep their attention fixed on the financial side of the balance-sheet which is not a picture of unalloyed progress: in 1954, to cite one significant figure, revenue from reparations, grants-in-aid, loans, and transfers totalled \$242 million, while private capital investment from abroad reached barely \$36 million. But even this is a small cloud on the horizon compared with the persistent lag in productivity and the excessive share taken in the national income by non-productive strata of the population. Israel's greatest danger perhaps is not a 'second round' with the neighbouring States, but a tendency towards what may not unfairly be termed Levantinism in social relations. It is a menace of which the country's leaders are fully conscious, none more so than Mr Ben Gurion, in whose political philosophy the Negev, Israel's great unexplored southern desert, holds a central place for reasons other than the military strategist's liking for open plains where armoured forces have sufficient elbow-room for their operations. The concentration of national energy on the task of pioneering ranks high among the aims of a State which owes its phenomenal success to an outburst of national enthusiasm now sometimes in danger of being forgotten. If for no other reason, Israel is unlikely to concede to her neighbours in this domain what in 1948 they failed to obtain by force of arms.

G. L. A.

# *Ten Years of East-West Relations in Europe*

## *The Struggle for Germany*

THE month of May 1955 witnessed a number of historic developments in the relations between East and West in Europe, all of which stood out against the background of the tenth anniversary of V.E. Day. On both sides of the Elbe, where ten years ago Eisenhower's and Zhukov's soldiers joined hands, the defeat of Hitler's Germany was being remembered; but after a decade of cold war between the former Allies this date merely served to draw attention to the extent to which their paths had diverged since 1945. While the Federal Republic's admission to N.A.T.O. and the official setting up of an East European military alliance would appear to stabilize and perpetuate the division of Europe, the signing of the Austrian State Treaty, the Soviet-Yugoslav rapprochement, the recent Soviet disarmament proposals, and the forthcoming four-Power talks indicate that the possibilities of a real détente must not be discounted.

Soon after the war ended the future of Germany became one of the major points at issue for the conflicting endeavours of the two sides in the cold war. Her final place on the European scene remains to be settled, but, whatever the outcome, few would have thought that ten years after unconditional surrender a resurgent Germany would be in a position to exercise so great an influence on the balance of power.

At the end of the war there was in the West a great fund of goodwill towards the U.S.S.R. The outstanding contribution made by the Soviet forces to the common cause completely overshadowed any doubts which existed in some quarters concerning Communist post-war aims in Europe. Despite certain adverse considerations, such as the unfriendly treatment accorded to the British sailors of the Murmansk convoys, the Communists' reluctance to acknowledge publicly the generous aid they received under lease-lend and from U.N.R.R.A., and Stalin's perfidious sacrifices of the patriotic Polish underground movement during the Warsaw Rising, not to mention the Molotov-Ribbentrop Pact and Russia's unwarranted attack on Finland, Western public opinion was anxious to forget the past and to ignore the avowed aims of world

**Communism.** The Potsdam meeting in July 1945 was popularly regarded as the beginning of a new era in international relations. But the policy and diplomatic methods pursued by the Kremlin succeeded in eliminating most of this goodwill in an amazingly short period of time. Even Tsarist Russia traditionally looked upon the Balkans and Poland as her sphere of influence and as a potential outlet for her expansionist policy. During and after the last war Russian nationalism became the ally of Soviet imperialism in the gradual conquest of that part of Europe. As far as the U.S.A. was concerned, Soviet actions retarded, and subsequently halted, American post-war intentions to disengage their troops from the Continent and leave Europe for the Europeans. The permanent abandonment of isolationism by the U.S.A. and, paradoxically, the emergence of North America as the major European Power of today can be directly attributed to Communist moves in Eastern Europe.

Within three years of the Potsdam agreement Eastern Europe had become part of the Soviet Empire. In violation of the United Nations Charter, the Yalta agreement, and the Paris peace treaties, Communist-rigged elections led to the establishment of totalitarian regimes in Poland and throughout the Balkans. In February 1948 the Communist coup d'état in Czechoslovakia added that country to the already formidable list of Soviet satellites. By then the Truman Doctrine and the Marshall Plan had proved that the U.S.A., at any rate, was aware of the growing danger of expanding Communism and was prepared to use its influence and strength to contain it. Despite the unwillingness of public opinion to face facts, Mr Ernest Bevin's ready response to American initiative enabled the West to take its first hesitant steps on the road leading to N.A.T.O. and Atlantic unity.

As it became obvious that Eastern Europe was being organized into a closely knit bloc, the West found itself compelled to pay increasing attention to the integration of its economic and military policy and resources. As the division of Europe became more and more apparent, and as the existing reserves of power were gradually being incorporated into the opposing camps, the problem of filling the only remaining power vacuum assumed vital importance and the ultimate alignment of Germany became the major point at issue.

The Potsdam Protocol, which on the whole reiterated the parts of the Yalta Declaration referring to Germany, laid down the



principles for quadripartite control. Apart from obvious provisions such as demilitarization, denazification, the introduction of democratic rights, and the elimination of industrial war potential, the Protocol stated that Germany was to be administered as a single economic unit and that 'reparation payments should leave enough resources to enable the German people to subsist without external assistance'. What in fact happened was that the Russians insisted that the Western Powers should carry out such provisions of the Potsdam agreement as were favourable to the U.S.S.R., while at the same time they themselves refused to implement others which were less favourable. This policy resulted in a draining away of resources from the Soviet zone by the removal to the East of machinery, stocks, and current production. The Western Powers, on the other hand, had to subsidize their own zones in order to keep up a minimum standard of living there. By the spring of 1946 the U.S. and British authorities were no longer prepared to subsidize German reparation payments to the U.S.S.R. This led them to the decision to suspend deliveries to the Soviet zone, and later that year the first moves towards a merger of the three Western zones were made at a conference in Washington. The subsequent setting up of the British-American Bi-zone, to which the French adhered later, was immediately denounced by the Russians as a violation of the Potsdam Protocol, although it had been made necessary by their previous refusal to enable Germany to become an economic entity, as provided for by that same agreement.

The Communists are past masters at accusing their opponents of misdeeds committed by themselves. A typical case in point is Marshal Sokolovsky's charge against the Western occupying Powers, made at a meeting of the Allied Control Council in November 1947, shortly before the abortive meeting of the Council of Foreign Ministers in London. The Soviet case, as put by Sokolovsky, was that the Western allies had failed to implement the demilitarization and denazification programme, that they had stripped their zones of great quantities of equipment and manufactured goods, and that they were paying the Germans low prices for goods which they themselves resold at tremendous profits. He claimed that the Bi-zone had been set up to destroy four-Power administration in Germany, and he attacked the allies for stopping the flow of reparations to the East. Although this last accusation was based on fact, Sokolovsky failed to mention that this course

had been forced upon the Western Powers by previous Soviet actions.

Matters came to a head with the Soviet withdrawal from the Allied Control Council on 20 March 1948. Following on the currency reform undertaken in the Western zones three months later as an inevitable step to head off the growing inflation, the Russians claimed that the resulting threat to the economy of their own zone forced them to adopt counter-measures, and a new currency was introduced there. Immediately afterwards they sealed off their zone, and on 24 June imposed a total blockade of Berlin. The right of the Western Powers to maintain themselves in their sectors of the former capital, which had been confirmed at Potsdam, remained undisputed. The Soviet Government merely decided to withhold the communication and transport facilities which had enabled the Western sectors of the city to exist, although surrounded by the Soviet zone of occupation. In initiating the blockade the Russians no doubt expected that the Western Powers would be unable to keep Berlin alive and that this would force them to make some concessions to Soviet demands. At the same time the Russians regarded it as a useful opportunity for a show of strength, the favourable outcome of which they did not doubt. The unexpected success of the Western aerial improvisation made them realize the futility of prolonging the blockade, which was in fact lifted in May 1949. The determination of the West to help Berlin in face of the hardships imposed on the civilian population by the blockade must have led the Soviet Government to the conclusion that its continuation could only harm their cause by antagonizing the German people even further. The Western Powers stood firm in Berlin and made it clear that nothing but force would dislodge them from the city. The Russian bluff was called, and at the only time when the European cold war warmed up the Western allies played their hand well enough to inflict a major defeat on their opponents.

The Berlin blockade confirmed the rift between the two parts of Germany, thus completing the division of Europe. Just as the Communist seizure of power in Czechoslovakia had speeded the conclusion of the Brussels Treaty, so the Russian show of force in Berlin provided much-needed impetus to the West's efforts to organize its defences. After the Berlin blockade it became apparent that four-Power agreement on Germany was unlikely to materialize in the near future unless the Russians were prepared to execute

yet another *volte-face*. Accordingly both sides proceeded to give formal recognition to the existence of two Germanies. The Constitution of the Federal Republic was signed in Bonn in May 1949 and in October the so-called German Democratic Republic, evolved in a long process of pseudo-democratic manipulation, was officially proclaimed in the East.

While Germany was being divided, the Western Powers continued their efforts to build a counterpoise to the overwhelming forces at the disposal of Moscow. Although it was realized that the atomic superiority of the United States would remain the decisive factor for some time, the vital importance of bringing America into some sort of formal defensive association with Western Europe was generally accepted. The outcome was N.A.T.O.

The Western countries grasped the need to pool their resources and their integration progressed comparatively speedily and smoothly, but the problem of agreeing that West Germany should make her contribution gave rise to much delay and many difficulties. Germany's Western neighbours, particularly France, were naturally reluctant to acquiesce in the revival of a German Army unless adequate safeguards could be provided to prevent the possibility of future German aggression. French public opinion was so strongly opposed to the idea of rearming Germany that it took years before the French National Assembly could be persuaded to ratify an agreement enabling Germany to play her part in the Western defence system. The strength of French opposition can be gauged from the fact that much valuable time was lost in attempts to allay French fears by the creation of some sort of supra-national framework, and the ultimate solution—i.e. West Germany's incorporation into a Western European Union—was only reached in the autumn of 1954 after the rejection by the French Parliament of the proposal for a European Defence Community which had originated with the French themselves. Almost ten years to the day after Germany's total defeat, the sovereign Federal Republic became a member of N.A.T.O.

All the moves made by the Western allies to rearm Western Germany were, of course, met by determined opposition on the part of the Communists. Soviet propaganda made the strongest possible play on European fears of revived German military power. This, however, had not prevented the Russians developing the People's Police in their zone into a military force, or giving members of their youth, mass, and sports organizations para-military

training. Because Communist States are able to conduct their affairs free from the fetters of public opinion the Soviet Government, aided by its East German puppets, pressed forward with the remilitarization of its part of Germany without having to account for its action to the peoples of the U.S.S.R. and the satellite countries. In effect, therefore, the Communists were able to utilize all opposition to German remilitarization as a propaganda weapon against the rearmament of Western Germany alone.

The Communists also tried hard to exploit the war-weariness of the German people in their attempts to turn the West German electorate against Dr Adenauer's pro-Western policies. Their most telling argument was that the definite military association of Western Germany with the N.A.T.O. Powers would make all-German unification impossible. Nevertheless, in spite of all their talk about the impossibility of further negotiations on the German question after the ratification of the Paris agreements, the Soviet leaders have recently given encouraging indications of their willingness to discuss this question, and indeed all controversial points, despite West Germany's adherence to N.A.T.O. The efficacy of Soviet propaganda in Western Germany is in any case greatly handicapped by the repressive nature of the Communist regime in the so-called Democratic Republic, and the brutal stamping out of the East German workers' revolt two years ago did irreparable harm to the Communist cause in Western Germany and in the whole of Europe.

When the Soviet Government realized that the ratification and implementation of the Paris agreements was merely a matter of time, it informed the world of its intention to take counter-measures. It made the gesture of threatening to abrogate the wartime Anglo-Soviet and Franco-Soviet treaties of alliance, claiming that they were incompatible with the proposed Paris agreements. In May 1955, ten years after common victory, the treaties were in fact denounced by the U.S.S.R.

In an attempt to extract maximum propaganda value from the rearmament of Western Germany, the Soviet Government last year suggested a conference on European security to which it invited all European countries and the U.S.A. This invitation was accepted only by the satellites and by China, which sent an observer. At the Moscow Conference the ground was prepared for the treaty of friendship, co-operation, and mutual assistance linking the U.S.S.R. and her European satellites, including the

German Democratic Republic, which was concluded on 1 1955. This was merely a formal confirmation of the existing of affairs, but for propaganda reasons it was given a great publicity. The same can be said of the establishment of East European Command under Marshal Koniev, which was decided upon in Warsaw on 14 May. This then was how the were arrayed on the very eve of the signing of the Austrian Treaty.

For ten unhappy years the Austrians, allegedly liberated the Allies, had been under foreign occupation. All Western attempts to induce the U.S.S.R. to agree to an Austrian peace founded on Soviet insistence to link this question with Germany. According to the Soviet thesis failure to achieve agreement on Germany precluded any settlement of the Austrian problem. By their sudden decision to restore Austria's independence in exchange for that country's neutralization, the Russians again thrust themselves forward as the champions of a reduction in international tension. In the general welcome accorded to this step it must not be forgotten that the agreement reached in on 15 May could, in all essentials, have been achieved, but for Soviet obstruction, many years ago.

The line taken by Communist propaganda over this solution of the Austrian question makes it clear that the example of a free and neutral Austria, free from foreign occupation, is to be used as a bait before the eyes of the Germans, who naturally desire their country's unification.

For the first time in ten years talks at the summit have been agreed to in principle, and a conference of the heads of Governments of the U.S.A., the U.S.S.R., the United Kingdom and France is likely to be held in the near future. These talks will take place not so much because the Governments concerned believe that they will be more fruitful than negotiations through normal diplomatic channels, but because world public opinion, tired of the inconclusive results produced by the numerous meetings at ministerial level since Potsdam, feels that the issues dividing East and West can only be resolved at the highest level. Some indication that the Russians are prepared to adopt a more realistic attitude is provided by the latest Soviet proposal submitted in May by Mr Malik to the Sub-Committee of the Disarmament Commission meeting in London. Although it includes many points specifically concerned with disarmament

they embrace a far wider field. In relation to Germany they call for 'the immediate withdrawal by the four Powers . . . from the territory of Germany to their national frontiers'. As far as disarmament itself is concerned, the Russians have at last come closer to the Western point of view after years of obdurate opposition to all Western proposals in this sphere. For the first time they have accepted the argument that a proportionate reduction of armed forces would not be a fair solution and now suggest that numerically the two sides should be roughly balanced. On the other hand, the Russians' proposals fail to clarify their attitude towards international control of nuclear weapons, without which no agreement on disarmament can be of any value.

The visit of high-ranking Soviet Party and Government leaders to Belgrade, though perhaps not entirely unconnected with the forthcoming evacuation of Austria, may also reflect a growing flexibility in Soviet foreign policy. The fact that this visit had to be made could be interpreted as another indictment of the doctrinaire Soviet approach to certain problems. It represents an attempt to undo one of the biggest post-war mistakes committed by Stalinist policy—the antagonization of Yugoslavia in 1948.

Within the space of one month the U.S.S.R. has been found willing to agree to an Austrian peace treaty, to welcome the idea of four-Power talks at the summit, and to settle her differences with Yugoslavia. It is significant that at the same time she took great pains to publicize her complete control over Eastern Europe by the conclusion of the Soviet bloc military alliance in Warsaw. The fact that Soviet foreign policy moves along parallel lines has rarely been so clearly demonstrated. The ultimate goal of all Soviet policies remains the same—the triumph of Communism throughout the world. As Lenin wrote in 1918, 'We Marxists have always been proud of the fact that by strict analysis . . . we have been able to determine the expedience of this or that form . . . of struggle'. According to the *Short History of the Soviet Communist Party*, the alleged superiority of Marxist-Leninist theory is based on the Party's ability 'to find the right orientation in any situation, to understand the inner connection of current events, to foresee their course, and to perceive not only how they are developing in the present, but how and in what direction they are bound to develop in the future'.

Despite this assertion the Russians are obviously not endowed with the prescience they claim. By pursuing parallel lines of policy

they are trying to insure themselves against most contingencies. The establishment of two military blocs in Europe on the one hand, and the possibility of a détente arising from high level talks on the other, have extended the current parallelism in foreign policy to its limits. For the last ten years the trend has been to the fore, but now the Communists see the need to realize its futility and appear to be prepared to give the West a chance of proving its worth. It looks as if the constant protestations of the desirability of peaceful co-existence are being backed by deeds. A great deal of credit for the present calm in the international atmosphere must go to the West's remarkable patience and persistence in the face of provocative intransigence.

In fighting for the neutralization of Germany, the U.S.S.R. is making a last attempt to dislodge the Federal Republic from the Western camp. Western Germany, however, has long been the mere manoeuvring ground for the opposing policies of the cold war, and it is inconceivable that the Germans, now sovereign in the Federal Republic, will have their own State attempt to play a more decisive part and to exert their own influence to influence the course of affairs. The future of Germany remains the major undecided issue in Europe and the four great powers who have dominated the scene for ten years, will no doubt discuss it with great interest and some anxiety the policy which they will pursue in their inevitable attempts to bring about the unification of their country.

J. F.

## *India's Revolution by Consent*

THERE has been going on in India for the last twenty years a change of ever-increasing pace, one of the great changes of history, a change comparable in its long-run consequences only with the conversion of the Roman Empire to Christianity. In its short-run effects it may be as important to Asia as the Renaissance and the Industrial Revolution combined were to Europe. In its long-run effects it is more important than Chinese Communism. Communism

Asia represents, for those who accept it, the preparedness to jettison the whole of their own traditions and to accept ready-made one particular set, now slightly shop-worn, of the ideas of nineteenth-century Western Europe, in order by so doing to create the sort of State which the modern world will accept as an equal. The Indian Revolution is slower, more subtle; it offers hope for the future because it does not break with the past. India does not abolish, she modifies; she is absorbing the ideas and techniques that the West offers, assimilating them into her own, mainly Hindu, tradition, creating a new synthesis which will in due course offer the world's underdeveloped countries a model of change without violence, of equality without terror.

That the change has not yet struck the world's imagination with the force of Mao's revolution is due to certain rather British, but also very Hindu, peculiarities in Indian political behaviour. The Indian political tradition values continuity, not the barricades; properly constituted authority, not revolutionary legality; reform by consent, not the class war—there are no St Bartholomews in the great Hindu reformations, and India's Calvin is Buddha; freedom enforced by independent courts, not the dictatorship of successful force. Above all, India is a democracy; her Government must follow the will of the everywhere rather slow-moving majority, minorities, however well placed and however idealistic, must persuade their fellow-citizens before they can have their way; and change which goes at the majority's pace is relatively imperceptible, for the majority, in India as in England, imprints its conservatism upon the newest of reforms. The Indian Constitution is only five years old, but already the public does not like it to be altered.

These feelings give Indian political life a quite special flavour. India has no glorious Revolution, no 1688 or 1789 or 1848, and therefore India has none of the divisions which come from glorious Revolutions, which always, after all, mean that one section of the nation defeats another section. Part of France still looks back on the French Revolution as a disaster; but in India nobody regrets seriously the days of British rule. For independence was not a revolutionary act; therefore India came into independence united. There was no break in the continuity. The British went with goodwill—India's national day is not 15 August, the day on which the Dominion was inaugurated in 1947. The new independent State began as an Act of Parliament. The classes who



had supported the British knew that they would have both to adapt themselves and to accept a worsening of their position; but they also knew that they would still have far too much to lose from any desperate recourse to force to make such a step worth while.

Therefore, with only a few mild threats, the princes signed away the sovereignty they knew they could no longer keep without a civil war in their States which they would probably lose; but the blow was softened by tax-free privy purses which still make them India's wealthiest men. So, too, the zemindars and the jagirdars have accepted the abolition of their estates, because their leaders realized that the alternative was a peasant uprising later; but the compensation has been nicely attuned to the possibility of resistance. The small men who have votes, and the big men in States like Rajasthan where their influence is still great, have done fairly well; the big men in Bihar, where they are unloved, have done relatively badly. But nobody has got nothing. There has been a genuine desire to do what is right, as well as a cool appreciation of political risks. Most important of all, the Civil Servants, the soldiers, and the technicians who had been on the opposite side to the Congress, though they too had been nationalists, were not victimized. The Congress success meant that they had no hope of getting back the loss in real income imposed by war-time inflation, that their sons in the same jobs would get paid less still, and that they would have to suffer from political superiors who sometimes interfered and were often unsympathetic. Yet they continued to work, and better than ever before, first, of course, because they were patriots, but also because, had independence come by compulsion, they could have expected only dismissal, or at best the surveillance given to ex-Tsarist officers in the Red Army. The result is that India is the best run State in Asia, whereas revolution, Russian-style, would have meant years of anarchy. Even Pakistan came into being in the end by consent; Jinnah's threat of force was always implicit rather than explicit; and the massacres in the Punjab were just massacres; they never developed into the civil war they might have been.

This tradition by which the 'haves' (who are not necessarily the rich, they may merely be all-powerful husbands as against their totally dependent wives) always see the writing on the wall, and the 'have-nots' always go sufficiently gently for the 'haves' to give way without their nostalgia for the past ever turning into resistance

against the future, has now, in India as in England, almost become formalized into a system. When the Hindu Code Bill ran into resistance, including that of the President himself, Pandit Nehru did not put the whips on and push it through, as he could have done. He withdrew it, split it up into sections, and is now getting it passed by Parliament section by section. Those who object to divorce do not always object to inheritance rights for daughters, and those who object to inheritance rights for daughters may accept guardianship rights for mothers. Moreover, with split-up Bills it is easier both to propagand for each one separately and to make adjustments where the real resistance comes. The result is that so far the separate Bills have been going through without difficulty; even with the stickiest problems (divorce in Hindu marriage and inheritance for the daughter in the joint family<sup>1</sup>) success has now been achieved.

A more important example of this attitude of mind is what is happening over economic equality. Economic equality is one of the bases of the Congress creed, for a whole series of reasons ranging from natural jealousy of those better off to a deep suspicion that riches give power. There has therefore been, since independence was achieved, a steady tendency to level down, until the Taxation Inquiry Commission can recommend a ceiling on income that would work out at about £2,500 a year after taxation deductions, and the Congress President can say in public that to spend more than £4 10s. a week is a crime against Socialism. True, except for the extravagance of the Congress President, this is an attitude not unknown in Europe. What is so exceptional about India is how little resistance there is from the better-off. This is due partly, as with the zemindars and the princes, to a feeling that their position cannot be permanently defended, and partly to the willingness of the Government to wait and let this feeling take effect. Nothing has been done suddenly. The Estimates Committee of Parliament suggested that incomes in private business must not be too much higher than in Government appointments; nothing was done officially; but business firms have been put on the defensive. The Finance Minister has mildly deprecated the Taxation Inquiry Commission's idea of a ceiling; but he accepted a considerable part of its suggestions for the increase of direct taxation this year—the Indian rich must now,

<sup>1</sup>The joint family is a family of more than one agnatically related male (i.e. related through male links only) whose property is undivided.

including indirect taxation, be the most highly taxed in the world—and everybody expects the Finance Minister to implement the rest of the recommendations in due course; but over time, not all at once, to let the shock come slowly.

Most striking of all is what is happening over land. The Congress has been anti-zemindar and anti-landlord for over twenty years. Legislation in favour of tenants was amongst its first actions when it came into power in the provinces in 1937, and since the advent of independence over a hundred acts of land reform have been passed by the different States. But there has been no hurry. Nothing has been done overnight. It will be perhaps ten years from the date of independence before the last tenant is protected, the last zemindar taken over. And there is a gradual tightening-up. In Orissa, for instance, rents have hitherto been limited to one third of the crop; they are now being limited to one-fourth. The attempt to limit them to one-sixth, which is Congress policy, met with too much resistance, but once everybody has got used to the one-fourth, there will be a new attempt to reduce them to the one-sixth which has already been put through in, for example, Bombay. Most of the measures now being taken were recommended by the Congress Agrarian Reforms Committee in 1941 and again by the Planning Commission in 1951; but there has been no attempt to put them through overnight, or to enforce ideas where idealism has departed from the practical, as for example in the case of the co-operative farming about which both the Committee and the Commission were so enthusiastic but which the State Governments realize is politically impossible.

One more example may be cited, and that is planning. Before the war the Congress had a private planning commission of its own, which published some quite useful reports; and during the war the Government of India was overtaken by the same enthusiasm for planning that affected many other Governments. The difference between India and the majority of other countries is that this enthusiasm continued after the war. The first Five-Year Plan has only another year to run, and the second is already under preparation. But once again the Government of India went slowly. It was over four years after independence before the first Five Year Plan was published; and when it did come out, it was very largely a Government priority list. From the schemes which the Central and State Governments already had in mind, the most important were selected for a concentration of effort; and from the

various projects of reform, notably in land tenure, which were under consideration, some were selected, in general terms, for immediate implementation. The Plan was thus largely negative. It prevented a dissipation of the Government's efforts; it did not attempt to control the economy in every detail. The industrial part, in particular, consisted essentially of a few specific governmental schemes and a series of statements of aspiration by private industry.

Nevertheless the Plan, aided by a couple of good monsoons, has worked; and because it has worked it has been accepted. The doubts of 1951 have disappeared as people have seen targets beaten and national income increasing at an almost Western rate. Planning is now accepted by the most conservative circles; nobody argues any more for unrestricted free enterprise or against a wide Government initiative in economic affairs (though much could be said on the other side in both cases). No party dares to call itself other than Socialist. The Congress party itself, which had been moving towards the Right when it thought foreign investment was essential and only private enterprise could deliver the necessary goods, has almost equally pragmatically swung to the Left again as the conviction has spread that foreigners are not going to invest much in India anyway, and that the Indian industrialist cannot find the money for the big schemes such as the new steel plants. Once again, it is not relevant whether or not these beliefs are true; they are held, and the fact that they are held influences action.

With this change and consolidation of opinion, the Government has taken certain further steps forward. On the one hand, increased production has enabled it to remove nearly all the controls which irk the public, such as rationing; and this, too, though the achievement was largely a private enterprise one, has redounded to the credit of planning; certainly the planners have accepted that, since physical controls do not work very well in a country of many small producers, it is better to get their results through such measures as import licensing, the varying of export duties, and monetary discipline. On the other hand, the second Plan will be much more than just a schedule of Government priorities. In the Community Projects and the National Extension Service<sup>1</sup> it

<sup>1</sup> Community Projects and Agricultural Extension schemes are centres of dissemination of improved agricultural techniques combined with some financial assistance and with a psychological approach designed to arouse village response and co-operation.

looks as if the Government has at last found a means by which to make the peasant a partner in the process of modernizing himself; and they are to cover the whole of the country by 1961. They are planned in the sense that the initiative, the choice of where to start and what to push and how much to spend, is in the hands of the Government; but it is typical of the Indian pragmatic approach that, within this general cadre, the choice of what should actually be done lies with the villages themselves. If they want drains, they build drains; but if they prefer to start with a drinking well, or a new Harijan (untouchable) colony, then they can do that too. They nearly always want a better school and a new approach road; but if a particular village does not want them, it does not have to have them. Like the removal of physical controls, it is planning at its most untotalitarian.

Even in the approach to private industry, the least successful side of the Government's policy, the planning is kept flexible. There are no targets which must be achieved at all costs. There are general political decisions that certain basic tasks must be performed by the Government, that what can be done by handicraftsmen should be done by handicraftsmen for employment and economy-of-capital reasons, and that the creation of surplus capacity should be avoided. The carrying out of these decisions involves much detailed planning, many, often self-defeating, restrictions, and a great deal of the latest fashion of econometric calculation; it gives the State both more say and more initiative than it has ever had before. But it is still not totalitarian planning. The Government is still prepared to leave decisions in individual cases to the ordinary play of political forces so that the resentments will not pile up. Above all, the Government is prepared to make up its mind to some extent in public, so that it can see what is acceptable and what is not. The result is that policies which get nowhere, like the immensely detailed interference permitted by the Industries (Development and Regulation) Act, can be soft-pedalled, while policies which meet with immediate public acceptance, like the large increase in steel production now proposed, find the whole driving force of the Plan put behind them. In short the Government does not dictate, it feels its way; the Planning Commission has not been imposed on the people, it has grown upon them, until today the argument is never whether there should be a Plan, but only what the Plan should be. In a free world where planning is still one of the major

unsettled arguments, there could be no better example of how much consent there is in India's revolution.

This revolution is not yet finished, and it is therefore impossible to be dogmatic about the sort of society it will produce; but already certain main lines are becoming clear.

First, India is going to be a very egalitarian country. A great many of the most important reforms have egalitarianism as their end. There is the abolition of Untouchability which is being enforced by ever more drastic penalties, penalties which the police must now see are carried out: enforcement is becoming more effective each year. There are the reforms in Hindu law, so many of which are directed to making the woman the equal of the man, the wife of the husband, whether it be in property relations, the right to take another partner, or control over the children. There is the taxation system, which has accepted as one of its objectives that the rich should pay to an extent which will make them no longer the rich, but only the rather better-off. There are the embryos of the Welfare State, compulsory provident funds and health insurance and retrenchment compensation for industrial employees, for example. There are the various ways in which the landless are to get land, through *Bhoodan*,<sup>1</sup> by grants of Government waste land, and by a ceiling on holdings. There is the assistance to be given to co-operatives to enable them to compete more effectively with the merchant and the moneylender. Even the rather ill-advised attack on managing agencies<sup>2</sup> has as one of its motives the desire to limit the amount of economic power which is concentrated in a few hands.

The old hierarchical India is going. The British have lost their position; the Rajputs have been undermined by the going of the princes and by land reforms, the Brahmins by land reform and by adult suffrage. In a political world where to an ever-increasing extent a man is worth as much as his vote and no more, power has passed to the majority of the population, the great central agricultural castes, and to a lesser degree to the Harijans and the aboriginals, who are at least too many to be altogether ignored. And with power is going both jobs and social position. The old India of the twice-born is going, and going for good.

<sup>1</sup> *Bhoodan* is a voluntary crusade, led by Vinoba Bhave, Gandhi's moral heir, whose aim is to obtain through voluntary gifts 50 million acres of land from the landed for the landless. So far 3½ million acres have been given.

<sup>2</sup> A managing agency is a Company which manages and provides consultant services for other Companies in return for a share of profits or a commission.

This equality rests in part on the second great feature of new India. India is going to be a country, not of a proletariat or a salariat, but of independent proprietors and craftsmen. When the land reforms are finished perhaps four-fifths of the cultural population will own their own land. There are no tenements; each shopkeeper runs his own. And there are no slaves; each craftsman for every factory employee; indeed, there are many independent craftsmen running their own little businesses. There are factory workers, and, unlike the situation in other countries, the number is tending to go up, not down, as the Government makes it possible for the small man to compete. Reservations or excises are imposed on his factory rival, and he is equipped with technical training, credit, designs, and co-operative machinery.

Small property owners, however, cannot do the major economic development themselves. The third feature of new India will therefore be the economic initiative of the State. The State will provide the basic utilities, from fertilizer to electricity and irrigation, and from steel to railways and aircraft manufacture. The State will do most of the new investment and will get the money partly from the deficit financing that it alone can manage. The State will organize co-operation, carry out agricultural research, show the peasant how to improve his life, protect the artisan, and compensate the industrialist for his loss of free enterprise. A market guaranteed continuously to expand. The State will decide which way the economy should go; but it will still leave the individual to take it there.

If this Indian experiment succeeds, it will be the model for free Asia and Africa; for all of them are waiting for a system which will enable them to have the fruits of economic development without the blight of totalitarianism. Nehruism, this Indian experiment, is a model whose nearest Western parallel is perhaps a mixture of peasant France and co-operative Denmark. It will certainly not have too much in common with the employer-employee societies of the Anglo-Saxon world.

# *The European Coal and Steel Community*

## *An Experiment in Integration*

was just five years ago, on 7 May 1950, that M. Robert Schuman, then the French Foreign Minister, offered to pool French coal and steel production with that of Western Germany and of any other European country prepared to yield national control to an independent supra-national authority. Although the approach was economic the motives and appeal of the French plan were profoundly political. It was a plan to make impossible future wars between France and Germany. And, from the very beginning, it was, in the minds of those who have worked hardest for its success, simply a plan for coal and steel but the beginning of a process which would only end when the integration of the six countries into a new federal entity was complete.

By the time the High Authority began to function in August 1952 the treaty for a parallel defence community had been negotiated and initialled. One month later, on 10 September, the six Foreign Ministers of the countries of the Coal and Steel Community asked the community's Common Assembly to draft a treaty for a European Political Community, and to many even hard-headed people it no longer seemed far-fetched to talk of 'making Europe'.

French hesitations and the eventual rejection of the European Defence Community project last summer eliminated the prospect of action among the Six in the military and political spheres and put a stop, at least for the time being, to plans for an extension of the C.S.C. experiment to other sectors of the economy. But the few weeks have seen renewed activity among the Six. In April 1953 Belgian and Dutch Foreign Ministers announced their intention of urging further economic integration on their colleagues when the six Foreign Ministers meet early in June. Dr Adenauer and M. Pinay, meeting together shortly afterwards, appeared to agree that it was time for a new initiative in the economic field. And M. Monnet, the architect and dynamo of the drive for a more comprehensive community of the Six, is still at his desk in Luxembourg, despite his earlier declaration that he would retire from the Presidency of the High Authority when his term of



office expired in February in order to be able to work with great freedom for the idea in which he passionately believes.

How much vitality still exists in the movement for 'Little Europe' will become clearer in the next few weeks. Three things may tend to strengthen the position of those who are now urging new steps toward economic integration. First, and somewhat paradoxically, the demise of the E.D.C. may make progress of less drastic measures easier. Integration of the defences of the S.E. was not the logical next step after the Schuman Plan. But once pushed forward, under the pressure of the American insistence for a re-armed Germany, the efforts of the 'Europeans' crystallized around it and it became the test of the strength of the European idea. Once the shock of the failure to meet that test has been absorbed, the fact that the way is now clear to take more modest steps should improve the chances of progress. Second, both the establishment of the Western European Union (including the British commitment to keep four divisions on the continent) and the signature in December 1954 of the treaty of association with the Coal and Steel Community have clarified the British position. It is now written down in black and white that closer ties among the Six do not mean looser ties across the Channel and that although Britain remains firm in her decision not to participate in European 'supranational' arrangements she wishes to 'associate' as closely as possible with them. Both sides of the House of Commons have endorsed the pattern laid down in the treaty with the Coal and Steel Community as a 'model' for relationship with any new communities that may be established. Third, and most important, experience has shown that to treat one or two segments of the complex economies of six highly developed countries as though no national boundaries existed, while all other aspects of economic life still remain governed by national considerations, is bound to create anomalies and breed difficulties. For example, it is impossible to formulate a sensible long-term policy for the European coal industry independent of the plans being made for the development of oil, electricity, and even of atomic energy.

In any event, and whatever may be the success of the current moves to broaden its base, the Coal and Steel Community is here to stay. The three years of experience have demonstrated that the framers of the treaty were practical men as well as visionaries. The integration of two key segments of the economies of six countries, although not yet complete, has been shown to be possible. An

n those who can be counted on to oppose most strongly any further extension of the supra-national principle do not suggest that what has already been accomplished should be undone.

The essential thesis of the treaty establishing the Community is that national barriers should cease to exist for coal and steel and that any regulation of the market that may be required, such as setting maximum prices and allocations in time of shortage or production quotas and minimum prices in time of surplus, is to be done by the institutions of the Community rather than by national governments. Similarly, the High Authority, consulting, as provided by the treaty, with the Council of Ministers, is responsible for ensuring that the market is not only free from discriminations and impediments of a national character but is genuinely competitive, and that 'restrictive practices tending towards the isolation of markets or the exploitation of the consumer' are eliminated.

The common markets for coal, iron ore, and scrap were officially opened on 10 February 1953, the market for steel on 1 May 1953, and that for special steels on 1 August 1954. Today, for all these commodities no tariffs, quotas, or control through currency restrictions exist within the area. But this is only the beginning of the process of creating a true competitive market free from all forms of national discrimination and distortion. The community envisaged by the treaty will not have become a reality until, among other things, the special subsidies to Belgium and Italy have been terminated, transport rates have been harmonized, and markets are no longer dominated by the cartels.

One of the principal strengths of the Community derives from the fact that in both the drafting and the execution of the treaty there has been taken to be crystal clear about basic principles. Thus, though it became apparent very early in the negotiations that neither Belgian coal nor Italian steel could stand the competition of the common market, the solution adopted was not to modify the basic concept of a single market but to write into the treaty special provisions to give the Belgians and Italians an opportunity to make their industries competitive, or, if this proved impossible, to give them time to shut down in an orderly way. Furthermore, consistent with a 'community' rather than a national approach, the process of readjustment is the responsibility not of these two countries alone but of the Community as a whole. For example, a 'perequation' levy is collected from coal producers

(German and Dutch) who have costs below the Community average; part of the proceeds, by agreement between the High Authority and the Belgian Government, is used to subsidize the price of high-cost Belgian coal during a transitional period of not more than five years. The High Authority and the Belgian Government have recently reached agreement on the main lines of a long-term solution to the Belgian coal problem. Subsidy payments are being withdrawn from three big mines in the Campine coalfield which are already able to stand on their own feet, and it has been agreed to stop payments to mines at the lowest end of the scale which show no signs of ever becoming productive enough to exist without special assistance. A number of pits in the Borinage region will be closed down; some fifteen hundred miners will be thrown out of work, and the Community is committed either to relocating them in other areas or to retraining them for other employment. Subsidies and new investment will be concentrated where they will do the most good. But the process of modernization and re-adaptation is inevitably a slow one.

The common market today also falls short of the goal contained in the treaty because of the fact that transportation costs form such a large element in the price of Community products, and the principle of national discrimination has long been implicit in the rate structure of the European railroads. This problem, too, was foreseen and legislated for when the treaty was framed. But it has proved an exceedingly thorny one, and has highlighted as much as any single phase of the Community's work the difficulties that are inherent in the sector approach. The drafters of the treaty were here confronted with a serious difficulty. On the one hand it was apparent that the objective of access to Community coal and steel on equal terms by all Community purchasers could not be attained as long as transportation was left untouched. On the other hand it had not been agreed by the Governments concerned that the question of transport should fall within the scope of the new treaty.

In the event, the article of the treaty which deals with transportation forbids discrimination based on country of origin or destination, that is to say, the obvious discrimination of charging the foreigner more than the domestic purchaser. It also explicitly recognizes that if all discrimination is to be removed the practice of charging according to one set of principles for internal traffic and according to another for international traffic would have to be

changed. But it provides that the modification of rates and conditions of transport is to remain the prerogative of member States and not of the Community. The High Authority was therefore faced with a situation in which, although the treaty was clear that certain things should be done, the main responsibility for doing them still lay with the national Governments. And the Governments, who were under pressure from the railroads to do nothing to increase their economic troubles, were in no hurry to act.

Simple discrimination, as exemplified by particular instances where a foreigner was charged more merely because he was a foreigner, could be dealt with by the High Authority on the basis of complaints, and was quickly eliminated. But the more difficult problem on which the agreement of Governments was essential was that of removing from the rate structures the discrimination which had been built into them over the years. Traditionally, European railroads have treated all international traffic as though it originated at the frontier. This has given rise to two kinds of charges borne by international traffic but not by domestic traffic, thus penalizing the manufacturer who imports his coal or steel rather than purchasing it from a supplier within his own country who is geographically no nearer. In the first place frontier and terminus charges, based on the fiction that trains are loaded and reloaded each time they cross a frontier, were customarily added to international freights. In the second place charges were computed as though each journey began afresh at a frontier. Normally freight charges decrease with the number of miles travelled. International traffic was thus penalized, in comparison with traffic within a single country, because whenever the train crossed a frontier freight charges were computed as though the journey had just begun. In January of this year the Council of Ministers decided to abolish, in three stages, both these forms of national discrimination. By May 1957 they will no longer distort the common market.

But even then the national discrimination arising simply from the transport of coal and steel will not have been totally rooted out unless in the meantime substantial progress is made on another and even more difficult front. For there are still six separate railroad administrations, and their rate structures vary so markedly from one another that until they are harmonized the 'comparable' price conditions that the treaty calls for will not exist. And beyond that problem lies the tangle of water-borne traffic on the Rhine. The deeper the High Authority probes into the nature of dis-

crimination the clearer it becomes that effectively to create a common market for anything as basic as coal and steel means either an expansion of the Community to embrace other industries and services or the creation of some very curious anomalies.

Perhaps most difficult of all are the problems that arise not from the task of creating a single market but of ensuring that the market is truly competitive. Agreements or arrangements among enterprises which would 'tend, directly or indirectly, to prevent, restrict, or impede the normal operation of competition within the common market' are flatly forbidden, and new concentrations among enterprises are permitted only if the High Authority finds that they will not hamper the freedom of the market. M. Monnet has accurately called these provisions of the treaty (Article 65, cartels; Article 66, concentrations) 'Europe's first major anti-trust law'. They represent a sharp break with habit and tradition in the European coal and steel industries, and it is not surprising that the High Authority has approached the problem of implementing them somewhat gingerly. Although the treaty states categorically that agreements which impede normal competition are forbidden, no rigid time limit is laid down within which the High Authority must act in order to ascertain that agreements are not violating the treaty, or to exact the heavy fines which it is empowered to impose for non-compliance. The Common Assembly, to which the High Authority is required to make an annual report, and the Dutch Government as well have shown impatience at the slowness with which the High Authority has handled even the clearest cases of illegal domination of the market. While the future of the E.D.C. hung in the balance there were many who felt that M. Monnet was consciously holding back from a difficult and dynamite-laden subject lest he should prejudice the chances of ratification by stirring up opposition to the six-country experiment.

In addition to the tactical considerations which may first have led to delay, there has also been the difficulty that the nine members who compose the High Authority approach the problem of cartels from quite different points of view, and a number of them undoubtedly feel that the treaty goes unrealistically far in copying American anti-trust legislation. Moreover the cartel arrangement which has been most in the public eye has been the Ruhr coal sales organization, usually known as Georg; and although many of the activities of this organization have clearly contravened the treaty, it has been supported by producers and trade unions alike

because of its ability to cushion the effects on employment of swings in demand. The approach of the High Authority has therefore been to avoid a head-on collision with the cartels and to seek to negotiate with them enough modifications in their operations to bring them into line with the treaty. The general outline of an arrangement which has now been worked out with the Georg was announced at the Common Assembly meeting early in May, and it is assumed that similar understandings will shortly be reached with the Belgian sales monopoly (Cobechar) and the French State monopoly (Atic).

In essence what is being done in the case of the Ruhr is to untie and to make independent and competitive the six selling agencies which today are combined to form the central agency, Georg. The central agency will be permitted to sell less than half the coal it now handles, and much of that will go either to the railroads (which are powerful enough to see that they are not exploited) or outside the community. The rest of the coal hitherto sold by Georg will be sold by the six agencies. Although each of the six will be allowed to allocate orders for the purpose of evening out demand within its own area, they are supposed to compete with one another for markets, and the High Authority will be alert to any signs of new restrictive arrangements among them.

This is a compromise arrangement and will disappoint those who believe that the only right approach to the pervasive protectionism which chokes the European economy is a ruthless one. But a compromise arrangement is inevitable so long as the Governments of the Six do not themselves desire more drastic action. For even on those actions, such as cartels, where the mandate of the High Authority is clear, it must carry Governments with it. Too much of the treaty (either explicitly, or because of the interlocking of coal and steel problems with questions outside the Community's powers) requires the close co-operation of Governments to make it possible for the High Authority to function effectively in opposition to Governments. It can lead, and it can resist pressures to take retrograde steps, but it cannot work effectively for long unless there is a basic agreement between it and the member countries on broad objectives.

The creation of a competitive single market is not an end in itself. Article 2 of the treaty expressly states that it is the means of accomplishing the mission of the Community, which is 'to contribute to economic expansion, the development of employment, and

the improvement of the standard of living in the participating countries'. It is too soon to gauge with any accuracy the broad economic results of the common market, and it will always be difficult to isolate its specific effects. With the elimination of barriers trade within the area has increased markedly. In 1954 intra-community trade in steel was double what it had been in 1952, and coal trade was up by 26 per cent. It seems reasonable to assume that a large part of this increase represents a more economic use of resources. In a period first of softening demand and then of near boom, steel prices have remained remarkably stable. And, in the coal mines, productivity has been gradually improving.

But perhaps the most important achievement of the Community has been the demonstration that the supra-national approach can work. From the start, M. Monnet and his colleagues have been conscious that they were setting an institutional pattern on which much more might later be built, and they have been at pains to get the pattern right. The prerogatives of the High Authority have been jealously guarded, not because the members of the High Authority as individuals wished for power, but because they were guarding a principle: the principle that the High Authority was analagous to a national executive and not to an international secretariat. The limitations imposed by the sector approach have inevitably meant a rather more active role for the Council of Ministers than that which was originally envisaged, but the essential character of the High Authority has not been impaired. And, together with the other peculiarly supra-national institutions of the Community, the Common Assembly and the Court of Justice, it has already demonstrated the validity of an idea.

M. C.







# THE WORLD TODAY

Volume 11 No. 7 July 1955

\*

## Notes of the Month

### *Polio and Politics in the United States*

ON 12 April, dramatically timed for the tenth anniversary of the death of America's most famous sufferer from poliomyelitis, President Franklin D. Roosevelt, came the announcement that a satisfactory method of immunization against the disease had been developed. The scientists who had assessed the results of the 1954 trials of Dr Salk's vaccine qualified their long and careful statement with warnings that the inoculations would not give a complete guarantee against contracting the disease and that much still remained to be learned about the vaccine.

But these cautions were drowned by the microphones and television cameras which carried the great news to the United States, a country where infantile paralysis is a regular summer scourge, and by the accompanying announcement that sufficient vaccine would be available at once for children in the most vulnerable age group, six to nine, and probably for all young people before the end of the year. There were also to be token deliveries to other countries within a short time. All of this was thanks to the National Foundation for Infantile Paralysis, a privately-run charitable organization, which had stage-managed the whole affair and had placed firm orders for 9 million doses of the vaccine. This enabled six drug manufacturers to put it into commercial production before the final report on its safety and efficacy had been issued.

But within two weeks inoculated children were contracting polio in its most dangerous form. The proportion affected was very small, but nevertheless supplies of the most suspect vaccine, produced by one firm, the Cutter Laboratories, were withdrawn. Later, after a series of contradictory and unsettling statements by the Government, all supplies were held up for further study by scientists. By the middle of June they had finally reported to the Public Health Service and the vaccine was once more becoming available, but more slowly than had originally been expected, since it was now being more strictly tested. The delays mean that there

will not be enough for the full programme of immunization to be carried out during the present polio season. In any case, many of the parents who welcomed the original announcement with so much relief are no longer willing, after all the doubts and confusion, to have their children inoculated.

There are still many questions to be settled about the vaccine, particularly concerning the timing of inoculations, but the main question was resolved by the report to the Public Health Service. There is no official suggestion that the vaccine itself is not a valuable safeguard against polio. Mass production was at the root of the trouble. Dr Salk's process was not as sure as he had supposed; live viruses occasionally survived in the manufactured vaccine and were not detected by the sample tests which were all that the Government required. Now it has set up a new Division of Biologics Standards, to supervise the manufacture of the polio vaccine more closely and to see that similar muddles do not arise when other new vaccines appear. Probably the most important aspect of Dr Salk's discovery is the real hope it offers that vaccines against hitherto uncontrollable diseases—the common cold, for example—may be developed by the same methods.

The responsibility for the over-optimism and the excessive speed, which took the inoculations from a laboratory trial to a nation-wide programme at one bound, rests with the National Foundation. If it had been clearly explained that this year's inoculations were still experimental, although on a very large scale, then the public would not have been so disillusioned by the inevitable handful of failures. But the Foundation can be forgiven, to some extent, since if it had not in the past used all the resources of publicity it would never have raised the huge funds which have now enabled it to finance the Salk vaccine. For this and other reasons there are many people who believe that the basic fault lies in the Federal Government's policy of leaving the nation's health almost entirely in the charge of state and local government agencies and of private individuals and concerns, whether charitable or commercial. It is pointed out, perhaps not entirely fairly, that in Canada, where the Salk vaccine has been manufactured and distributed under strict Government control, there have been no cases of polio developing from it.

The Government's creation of a new agency to deal with the problem is a confession that it has failed in its admitted responsibility for ensuring the safety of all drugs put on the market. But

this does not excuse it for its lack of guidance to frustrated parents and school authorities. Moreover the doubts about the vaccine, itself have obscured the main arguments over its distribution, which are now likely to arise again. In particular, until supplies are plentiful, there is a danger of a black market, once confidence in the vaccine is restored, with injections being given to those who can pay the most rather than to the children most likely to contract polio. Under pressure the President has agreed to ask Congress for funds to ensure free immunization for all children who cannot pay; the National Foundation's inoculations are free.

But beyond that the Administration is refusing to do more, unless it is forced by Congress, than advise—admittedly very strongly—on how scarce supplies should be divided; the rest is left to manufacturers and state authorities. It may be that lack of administrative machinery and legal sanctions made it difficult for the Administration to do otherwise, but there can be no doubt that it was taken by surprise and that it handled the confusion ineptly and unimaginatively. The Republicans have lost a golden opportunity of winning the enthusiastic gratitude of American parents who were clamouring for help, and the Democrats are making political capital out of this failure.

### *The International Bank's Loan for Southern Italy*

SOUTHERN Italy, the peninsula's 'poor relation', has received more attention in post-war years than at any time since Italy's unification. A fresh reminder of its needs and its significance in the country's economy has come recently with the announcement on 1 June 1955 of a \$70 million loan from the International Bank to the Cassa per il Mezzogiorno, the agency responsible for the Italian Government's twelve-year development plan for Southern Italy. The Cassa has already received two loans (of \$10 million each) from the Bank to help with its plans in the early stages. But the \$70 million credit is the biggest development loan the Bank has ever made in Europe, and its granting may be taken as an expression of confidence in what Italy has so far achieved in the South and in her ability to carry on this work effectively. It would appear to indicate that the passing fears concerning Italy's internal stability, expressed in some quarters in the United States in view of the support accorded by the Left to the Republic's new President at his election last May, are not being taken too seriously.

The timing of the loan's announcement, made just five days

before the regional elections in Sicily, might conceivably have led it to appear as a tactical manoeuvre; but a loan of this magnitude from the Bank had in fact been under consideration ever since Signor Vanoni, the Italian Budget Minister, visited the United States last October. Moreover it seems likely that further loans on a similar scale will be forthcoming from the Bank during the next two years. The present sum is to be devoted to specific agricultural and industrial projects in Sicily and the Southern mainland, chosen by the Bank from among a number of suggestions put forward by the Cassa and selected because they seemed particularly likely to increase the region's productive capacity. They include an extensive scheme for hydraulic works in the plain of Catania, eight hydro-electrical installations with a total capacity of 220,000 kw., and seven new factories for cement, fertilizers, insecticides, wood pulp etc.—all, be it noted, commodities related to local needs or production.

The Southern development scheme has now been in existence for nearly five of the twelve years which its investment funds, totalling 1,280,000 million lire, are to cover. Planning had to start virtually from scratch, in a region of neglected soil, uncontrolled rivers, and bad communications. But by the autumn of 1954 programmes had been worked out involving about two-thirds of the plan's total investment, and a large number of projects were under way. These include land reclamation and improvement works, especially in the mountain areas; irrigation, aqueducts, and drainage; work on the mountain river basins; and improvements to roads, railways, and tourist facilities. An important feature is the anti-soil-erosion measures so essential in this region, and the extensive research which has been carried out on the water resources, both above and below ground level, will prove of immense value throughout the plan's fulfilment.

Hitherto the chief emphasis has been on the construction of essential public works and on agriculture, but planning is now beginning to be directed also towards the development of industry, at present conspicuously lacking in the South except for Naples and to a lesser extent Bari. The development of Southern industry falls within the framework of the ten-year economic plan put forward last January by the Budget Minister, Signor Vanoni, which aims at raising the country's whole economic level, reducing the unbalance between North and South which has been a drag on Italy's economy ever since the unification, and providing jobs

for the unemployed (still reckoned at around 2 million) of whom a large proportion are Southerners.

In the development of industry in the South private as well as public investment can play its part, and a beginning has already been made with the establishment there of branches of concerns (e.g. Fiat, Pirelli, Olivetti) already long-established in the North. The South, with its predominantly agricultural economy, is notoriously short of capital, and investors both in the North of Italy and elsewhere are being urged to consider this new field now that the basic development being carried out there by the State is opening up fresh markets and possibilities for enterprise.

### *Troubled Transition in Singapore*

IN recent weeks Singapore has been going through a period of severe strain. On 2 April 1955 elections were held for a new Legislative Assembly of thirty-two members. Twenty-five of these were elected, the remaining seven members consisting of three ex-officio members—the Chief Secretary, the Financial Secretary, and the Attorney-General—and four non-official members nominated by the Governor. For the first time power was to pass into the hands of popularly elected representatives, though the Governor retained considerable reserve powers.

The changeover from a colonial form of government to an elected government is in any circumstances one which requires considerable adjustment. In this case the result of the elections, in consequence of a split of the right-wing vote, was to produce as the largest party in the Assembly the Labour Front, a left-wing party which, though not extreme, promised considerable changes in its election manifesto, including the creation of a Welfare State, immediate self-government and unity with the Federation of Malaya, and the repeal of the Emergency Regulations. The Labour Front secured ten of the 25 elected seats, the Progressive Party 4 seats, the Alliance of the United Malays National Organization, the Malayan Chinese Association, and the Singapore Malays Union 3, the People's Action Party 3, the Democratic Party 2, and Independents 3. Of these parties the Progressive Party is a moderate non-communal right-wing party, the Democratic Party represents the Chinese Chamber of Commerce, and the People's Action Party represents the extreme left-wing, while the Alliance is a projection of the similar alliance which has dominated the elections in the Federation of Malaya.

Following the election Mr David Marshall, the leader of the Labour Front, formed a Government consisting of six members of the Labour Front and one member of the Alliance, together with the three ex-officio members. The new Government, however, was, perhaps deliberately, given no breathing space to settle into office and to work out its programme in peace—its election had been wholly unexpected, not least by its own members. It was at once faced with a series of strikes and demonstrations apparently promoted by the Malayan Communist Party. It will be remembered that before the Communist Party went into open armed revolt in 1948 it had attempted to reduce the economy of Malaya to chaos by gaining control of the trade unions in Singapore and using them to paralyse the port. It was only when this policy failed, owing to firm action by the Government and the lack of popular support, that the Communists resorted to terrorism.

It now seems that the Communists, while they have not yet achieved the grip on the trade unions in Singapore that they had in 1947, have managed to develop another source of strength amongst the school children and students of the Chinese middle schools. These schools are private institutions run by Chinese Management Committees and provide education which is Chinese in content and sympathy. They have recently been demanding the same official support as is received by other schools, including the Government-owned schools, but without being willing to permit any element of Government control, and they are one of the centres of a trend in Singapore which can only be regarded as destructive of any prospect of a united Malayan nation. Their curricula are almost entirely concerned with Chinese culture and Chinese studies, and they encourage the children educated in them to think of themselves as Chinese rather than Malaysians.

Discipline in the Chinese schools in Singapore has been bad for some time. It now appears that Communist sympathizers amongst the students have gained complete control of at least some of these schools and have intimidated teachers and Management Committees into inactivity and most of the students into public, if not real, support. The lengths to which this intimidation has gone can be gauged from the fact that a schoolboy who had publicly expressed himself against submission to Communist exploitation was assassinated last April. Already in May 1954 there had been violent student demonstrations against registration for National Service and student political activity has increased during 1955.

These politically-minded students have been used to suppress and encourage industrial unrest. On 12 May 1955 they managed to inflate a union dispute with one of the bus companies into a riot in the course of which there were numerous casualties including some dead; their aim seems to have been to provoke the police into action sufficiently violent to justify a general strike. Owing to the restraint of the police this attempt failed, but a further attempt to start a general strike was made on 13 June, this time ostensibly in support of a strike of clerks belonging to the Singapore Harbour Board.

Faced with these developments the new Government of Singapore has been compelled at once to choose between some of the details of its programme and its duties as a responsible Government. It has so far met this challenge with some determination. It failed to carry through its first attempt to purge some of the workers of the Chinese middle schools but when faced with a general strike in June it acted vigorously and apparently with some success.

Mr Marshall undoubtedly has a difficult time ahead of him since he has both to retain, and indeed create, popular support for his new moderate left-wing Government and at the same time to take actions which must be distasteful to himself and to many of his supporters. His difficulties are increased by the unwillingness of members of the Chinese community who dislike Communist actions to support Government attempts to control them, and by the strong trend in the direction of Chinese nationalism—which results in part at least from admiration for the achievements of the Peking Government—amongst the Chinese community or at least that part of it which has not very long been settled in Singapore.



## *The German Problem on the Eve of the Four-Power Talks*

THE past three months have seen a number of events, dramatic enough in themselves, which form a background to the four-Power talks 'at the highest level' to be held in July: in May the restoration of sovereignty to the Federal German Republic and her formal admission to N.A.T.O.; the signature on 15 May by the four Powers of the State Treaty creating an independent and neutral Austria; the conclusion on the previous day of the Warsaw Treaty of friendship and collaboration between the U.S.S.R. and seven satellite States; the visit at the end of May of a U.S.S.R. delegation to Yugoslavia; and the Russian invitation to Dr Adenauer to visit the Soviet Union. The actual changes in the situation already brought about by these events, as well as the hopes of a 'thaw' in the cold war, arising from them, have been widely discussed everywhere, not least, of course, in Germany. The present article will be concerned primarily with German policy and with some cross currents of Anglo-German unofficial opinion.

The restoration of German sovereignty coincided with the tenth anniversary of the end of the war; it was thus bound to be an occasion for stocktaking, both within the Federal Republic and by Western Germany's new allies and former enemies. In the Federal Republic there was little rejoicing. The Social Democrat Opposition and the Free Democrats, members of the coalition Government, were categorical in their statements that there should be no celebration of sovereignty so long as the unity of Germany had not been achieved. 'This development,' wrote a United States commentator, 'is only one sign that from now on the Western world is going to witness an increasing restiveness in Western Germany over the reunification issue'.<sup>1</sup>

The Federal Chancellor, Dr Adenauer, who, of all men, had most reason if not for rejoicing at least for thanksgiving, gave expression to the mood of the majority of West Germans in a broadcast to the Eastern Zone on 5 May. 'This day of restored sovereignty is a great day in German history. Ten years ago Germany broke apart and stopped being a self-governing State: it was our country's darkest hour. I know only too well, and there is

<sup>1</sup> *New York Herald Tribune* (European edition), 3 May 1955.

never a moment in which I am not aware of it, that it is not the whole of Germany which has now become a free and sovereign State again. The Federal Government will, therefore, continue to strive for the freedom of all Germans. . . . In this our 50 million citizens of the Federal Republic, together with their Government, are thinking of the millions of their brothers and sisters who are separated from us and are forced to live without freedom and without justice. We call to them: "You belong with us and we belong with you. You can always depend on us because together with the free world we shall not rest until you are again in possession of human rights and are peacefully united with us in one State. Politically we have one goal: in a free and united world, a free and united Germany" <sup>1</sup>

The coming into force of the Paris Agreements and the Federal Republic's formal admission to membership of N.A.T.O. four days later gave Western Germany the right and obligation to rearm, and a Bill permitting the raising of volunteer forces and defining the rights and duties of volunteer soldiers was immediately discussed by the Cabinet. But while the Chancellor may be able to get through Parliament before the beginning of the summer recess in mid-July the defence legislation which he considers a necessary preliminary to the successful East-West negotiations, the 'increasing restiveness over the reunification issue' has shown itself, even in some cases within the parties forming the Federal Government, in suggestions that rearmament should be postponed lest this steering towards implementation of the Western alliance should jeopardize the possibility of reaching agreement with the Russians.

The existence of this point of view among responsible Germans, not themselves members of the Social Democrat Opposition, was made clear at the annual Conference of the Deutsch-Englische Gesellschaft at Königswinter in April when German and British politicians, publicists, and others met for a week-end to discuss common problems. British delegates found that the climate of opinion had completely changed since 1954; in that year there had perhaps been reason to doubt the genuineness of German interest in reunification, of willingness on the part of Germans themselves to pay the price for it. In 1955 it seemed, to some British participants at least, that the Germans were only too willing to let their

<sup>1</sup> *The Bulletin* (issued by the Press and Information Office of the German Federal Government), Vol. 3, No. 19, 12 May 1955.

new allies pay the price too. As some British commentators expressed it, it appeared that 'the worst kind of neutralism has taken root out here, and that political independents of many kinds agree with the policy of the S.P.D.'<sup>1</sup> and that 'Germans at the meeting... were planning to leave the Western alliance before the ink on it is dry,'<sup>2</sup> in order to pursue what may be described as a German policy for Germany's sake.

The argument used by most of the German delegates, except of course by members of the Christian Democrat Party who were present, was that because the Federal Republic had become a member of W.E.U. no one could doubt her will to belong to the free world. Therefore, and also because of developments in N.A.T.O.'s defence policy, the twelve German divisions to be raised under the treaties were no longer of decisive importance and the necessary defence legislation could safely be postponed.

Some speakers appeared to believe that so long as the Federal Republic had not implemented the military clauses of the treaties she might, while remaining a member of W.E.U., be able to negotiate with the Russians over reunification on the basis of perhaps offering economic concessions in return for free elections. It emerged, at least in conversations outside the Conference sessions, that some German delegates felt that the Soviet broadcast of 15 January 1955 offered a basis for the holding of free elections, because whatever decisions might be reached on the subject of electoral laws, the type of constituencies, and the right of the so-called democratic organizations of the East German Republic to put up candidates, there would in any case be an overwhelming majority for a united Germany, orientated towards the free world, and an all-German Parliament could safely 'swallow' a certain number of Communist Deputies. At previous Königswinter Conferences there had been strong support by British and German delegates alike for the creation of a European Defence Community. In 1955, after the bitter disappointment of German supporters of the European movement at the French failure to ratify the E.D.C. treaty, some German delegates appeared to be thinking in terms of the creation on the basis of W.E.U. of a European third force. This seemed dangerous and unrealistic to the British, since it suggested that Western Europe could have an effective independent existence without the military strength of N.A.T.O. in which the extra-

<sup>1</sup> *Manchester Guardian*, 19 April 1955.

<sup>2</sup> *The Economist*, 26 April 1955, p. 296.

European might of the United States must play a preponderant part.

The Germans present at the Conference may have been less shocked than the British, but they were startled at the unanimity with which the views they expressed were deplored and resented by nearly all British members of the Conference, and at the inability of most of them to believe that, ethical considerations apart, no other policy but implementation of the Paris treaties would be likely to lead to more rapid reunification in peace and freedom. One German commentator, in an article entitled 'Difficult Friendship', said that Germans discovered at the Conference that Britain, which they had thought of as a blessed isle of nonconformity, possessed only one single clear opinion on Western Germany in Western defence, and expected the greatest patience from Germany on reunification.<sup>1</sup> Another writer drew the conclusion that obviously the Germans had not in the past made their will for German unity sufficiently clear, and he went on to point out that tension had been increased by the inability of the Germans 'to point to any possible solutions of the problem of peaceful reunification except such as involve a certain loosening of the military ties between the Federal Republic and the Western military system provided for by the Paris Agreements. The differences of opinion among Germans themselves on the possibilities and limitations of such a loosening as the price of a peaceful Soviet retreat behind the Oder soon showed themselves in this debate too, in positions ranging from a German freedom from alliances to a differentiation of the European security system.'<sup>2</sup>

Dr Thomas Dehler, leader of the Free Democrat Party (but not a member of the Government), writing in the party's press service<sup>3</sup> on the recent 'confusion' which had resulted from the Anglo-German discussions at Königswinter, pointed out that the text of the Paris Agreements lays down that German reunification is the common aim of all the partners: 'What we want is not more and not less than German reunification on the basis of the Treaties.'

In the next number of the press service<sup>4</sup> the Deputy-Chairman of the Parliamentary F.D.P., and its military defence expert, wrote that the Germans would have to work out solutions which were

<sup>1</sup> *Süddeutsche Zeitung*, 19 April 1955.

<sup>2</sup> *Frankfurter Allgemeine Zeitung*, 27 April 1955, citing the *Tag* (Berlin), of 24 April.

<sup>3</sup> *F.D.P. Press Service*, 6 May 1955.

<sup>4</sup> *ibid.*, 13 May 1955.

acceptable to all the occupation Powers. 'But we cannot abandon our links with the West and give up the basic human rights and freedoms that make life worth living. Unless we want to be degraded to the level of a Moscow satellite we are never going to go through this political artery.' He went on to argue that the assurance was justified that the Soviets would refuse to withdraw from their Zone unless they no longer had reason to fear that the territory might be incorporated into the military potential of N.A.T.O. while on the other hand the U.S. must be assured that a reunified Germany would not be drawn into the Soviet orbit. 'Only moderate solutions which lie between these extremes bear chances of success. . . . If the Red Army remains at our eastern doorstep, the Oder line, the Americans must at least be given the opportunity to keep their outpost at our western doorstep on the west bank of the Rhine. Without American help we can neither defend Western Europe nor a unified Germany against Soviet dynamism. The United States have accepted the responsibility for maintaining freedom in Europe and we cannot and shall not release the United States from this responsibility. . . .'

There is a certain irony in this clear enunciation of a German right to demand of the Americans that they remain in Europe. The root cause of British exasperation and dismay at Königswinter was the apparent willingness of Germans present (including members of the Free Democrat Party), in their desire to achieve reunification in the shortest possible time, to contemplate a situation in which the Americans might have to remove their troops from Europe and rely on 'peripheral' defence. Indeed, if the signing of the Austrian State Treaty gave a new point of departure for discussions in the German press on the possibility of German neutralism, there were also suggestions that to keep the Americans in Europe was in some way primarily a need of British policy and that German reunification was being made to depend on the strategic needs of the Allied General Staff to retain two hundred miles of West German territory between the Elbe and the Rhine and on their inability, at the present time at least, to create space for U.S. troops and support lines elsewhere in Western Europe.<sup>2</sup>

But if the Königswinter Conference, and the statements made on that occasion by German political leaders other than members of the Cabinet and the C.D.U. and by some pressmen, could be interpreted as signs of 'impatience', 'instability', or 'political

<sup>1</sup> *Frankfurter Allgemeine Zeitung*, 23 May 1955.

<sup>2</sup> *ibid.*, 24 May 1955.

immaturity' in the Federal Republic, elections in the *Länder* of Lower Saxony in April and in the Rhineland Palatinate in May showed no decrease in support for the Chancellor's policy. In the former *Land*, although the S.P.D. received the largest number of votes cast and remained the strongest single party, the C.D.U. also increased its votes. In the Rhineland Palatinate the C.D.U. gained nine seats, obtaining an absolute majority (51 out of 100 seats). In Lower Saxony the Free Democrats, members of the Federal Coalition Government, lost six seats in comparison with the previous *Land* election in 1951, but there was certainly no sign in either election of a major swing away from the Chancellor's policy. The elections, moreover, gave no support to the somewhat facile theory that German policy during the past few years is solely the work of one strong man.

On the other hand, difficulties encountered in the building of a provincial Government after the election in Lower Saxony reflected the Chancellor's preoccupation with the need to translate popular support for his policy into legislation for the implementation of the defence obligations undertaken by the Federal Republic. Under the Constitution some of this legislation requires a two-thirds majority in the Bundesrat. For this majority the Chancellor had to secure the votes of the *Land* Government in Lower Saxony. The Government had, at all costs, to be a coalition formed by the parties represented in the Federal Government (C.D.U., F.D.P., B.H.E., and D.P.) and not, as in the previous Government, between the strongest single party, the S.D.P., and one of the smaller parties (the B.H.E.).

The details of the hard bargaining which went to the formation of the Government are not relevant here. The required coalition was formed, and the Chancellor's majority in the Bundesrat confirmed. But in the process the office of Minister of Education went to a certain Herr Schluter, once founder member of an extreme right-wing party (the Deutsche Rechtspartei), who had joined the Free Democrats in 1951. Herr Schluter is a publisher who has been responsible for the appearance of a number of Nazi and anti-allied books and pamphlets. His appointment was resisted in Göttingen, the city he represented and the scene of his activities, and the Rector and Senate of the University of Göttingen and other leading educationalists resigned their honorary offices in protest, and 5,000 students went on strike for one day. On 9 June Herr Schlüter himself resigned his office. If there has been a

tendency in the German and the British press to pay too much attention to the Schlüter case, it is at least a welcome sign that academic circles in the Federal Republic are prepared to take a public stand when they believe that democratic principles are at stake and the cause of education endangered, whereas the Federal Government as a body kept silent under the Nazi regime.

Hard on the heels of full Federal German sovereignty and the mission to N.A.T.O. came news of the projected four-Power talks and of the signature of the State Treaty creating a neutral Germany. The Treaty was, of course, variously interpreted in Germany. The Government saw it as the justification of the West's policy of supporting Germany by the Opposition as proof of the wisdom of its demand for German rearmament and freedom from alliances. Both the Chancellor, Herr von Brentano (created Foreign Minister on 6 June), and the Germans not to expect too much from the four-Power talks. Herr von Brentano in particular warning them not to assume that the forthcoming conversations Germany would be the centre of discussion. Reunification was the all-important question for the Germans, but for the allies there were other questions of equal importance, such as, for example, international disarmament and atomic problems.<sup>1</sup> The German Government, he said, was utterly opposed to neutralization which would increase international tension to an unimaginable extent, nor would it recognize the Oder-Neisse frontier as permanent.<sup>2</sup>

Herr von Brentano seemed here to be forewarning Germany against possible Russian offers, but quickly following the Austrian settlement came the announcement of the proposed Soviet settlement with Yugoslavia, timed for 26 May. Then, on 18 May, came President Eisenhower's press conference in Washington in which he mentioned that the idea seemed to be developing of a series of neutralized States from north to south through Europe. At the time of neutralization, the President said, did not mean a disarmed Austria: not a military blank: that kind of neutrality was being moved from a military vacuum.<sup>3</sup>

There is no doubt that the President's statement raised hopes in Germany. 'America Considers a Neutral Middle Europe' was the headline of one article,<sup>4</sup> which welcomed the fact that

<sup>1</sup> For Dr Adenauer's speech in the Bundestag on this subject see p. 288.

<sup>2</sup> *Neue Zürcher Zeitung*, 22 May 1955.

<sup>3</sup> *New York Times*, 19 May 1955 (transcript).

<sup>4</sup> *Frankfurter Allgemeine Zeitung*, 20 May 1955.

White House appeared to be less sceptical than the State Department as to the possibility that the Red Army might now withdraw to Russia, and that Washington might find itself forced to examine the consequences of a Soviet willingness to give up the German Democratic Republic and even the satellite States. Such hopes in some quarters were fears in others. Dr Adenauer recalled for consultation his Ambassadors in Washington, Paris, and London. The leader of the Opposition, Herr Ollenhauer, rejected the idea of neutralization. He declared that an Austrian solution was not for Germany and that a neutral belt with a united neutralized Germany within it did not make sense so long as Europe was divided into two military blocs.<sup>1</sup> But in commenting on the problem of German reunification he also insisted that a united Germany be permitted 'freedom from alliances'. He argued that a clear danger still existed that the great Powers could achieve co-existence without German reunification.<sup>2</sup> The uncertainty as to the United States' intentions thus brought, for the first time, a measure of agreement between Government and Opposition in the Federal Republic.<sup>3</sup> But it caused sufficient consternation in Europe, and in Germany in particular, to be followed a few days later by a categorical statement from Mr Dulles that the U.S. did not accept neutrality for Germany.

The Federal Chancellor's instructions to his recalled Ambassadors, and his speech in the foreign policy debate in the Bundestag on 27 May, seemed to show the extent to which he had been alarmed by the possibility that the Federal Republic might once again find herself a *Verhandlungsobjekt* (the *object* of negotiation). According to the German press, the Ambassadors took back to their posts instructions as to what were the Chancellor's wishes at a moment when diplomatic preparations for the four-Power meeting in July were beginning in the Western capitals. These were: no reunification on the basis of neutrality; recognition of the fact that a European security system without the participation of the United States would not be worthy of the name; and complete freedom of action in the creation of a German Government provided such action did not rest upon partial neutralization (the so-called 'third solution').<sup>4</sup>

The debate in the Bundestag had been preceded by discussion in the Federal Cabinet of the first draft Defence Law, defining the

<sup>1</sup> *Süddeutsche Zeitung*, 19 May 1955.

<sup>2</sup> *Süddeutsche Zeitung*, 23 May 1955.

B

<sup>3</sup> *Vorwärts*, 16 May 1955.

<sup>4</sup> *Tagesspiegel*, 27 May 1955.



rights and duties of volunteer soldiers and by-passing previously discussed draft conscription legislation. A Socialist motion to postpone all measures for German rearmament after the four-Power talks had taken place was defeated by 145 votes to 145. The Chancellor's speech<sup>1</sup> underlined that an agreement had already been reached between the Federal Government and the Governments of the Western Powers on the fundamental issues. They were agreed that 'the reunification of Germany constitutes one of the decisive steps towards the reconstruction and safeguarding of Europe and of the world. The free all-German elections continues to be the only path to German reunification. There can be no negotiations or attempts of a peace treaty before a lawful all-German Government has been formed. A neutralization of Germany as the condition of reunification is not acceptable. Germany can never accept voluntarily, or, to put it directly, more or less involuntarily, a status of neutrality—even if it be an armed neutrality, or allow herself to be neutralized'. He referred to the rejection of the neutral belt idea not only by public opinion in the Western countries but also, he was happy to note, by all political groups in the Bundestag, including the Social Democrats. He said that the basic task of the four-Power Conference should be to bring about controlled disarmament and called upon the Western States to take the initiative there: '... the question of German reunification is one of the most important issues, if not the most important issue, for the peace of the world.' This is, in the Chancellor's view, to be the main incentive of the Western Powers in their decision to deal vigorously with the problem of controlled disarmament, in order to achieve a general relaxation of tension and thus bring about the reunification of Germany in peace and freedom. 'I emphasize once more', the Chancellor said, 'the basic task of the four-Power Conference is to bring about controlled disarmament. It is only on the basis of limited and controlled armaments that a genuine security system can be created, which is our aim, too'. Within the Federal Republic, the Chancellor pointed out, there could be no question of giving in to the Opposition's desire to delay rearmament; the two divisions were not going to change the fate of the world; they were a symbol of Western unity.<sup>2</sup>

The leader of the Free Democrats, Dr Dehler, supported the Chancellor's position.

<sup>1</sup> *The Bulletin*, 2 June 1955.

<sup>2</sup> *The Bulletin*, Vol. 3, No. 22.

Chancellor in his insistence on carrying out willingly German obligations under the Paris Treaties. The Treaties were flexible enough to permit the Western Powers and the Federal Republic to reach an understanding with the East and then to enable an understanding of German reunification to be achieved. They provided sufficient elbow-room concerning the extent of armaments and stationing of troops. A formula might, in his view, conceivably be found which lay between the Molotov proposal for a security system and Chancellor Adenauer's suggestion for 'an East-West security system in compliance with European and German necessities.'<sup>1</sup> This not very precise formulation seems to hint at support for the so-called third solution to which the Chancellor objects.<sup>2</sup> It appears to imply that reunification can only be achieved by agreement between the two Power blocs on the international military status of Germany, and that between the rejected extremes of neutrality and the neutral belt there is room for negotiation of solutions acceptable to East and West.

Only two weeks after the Bundestag voted against postponement of rearmament, the Bundesrat refused to give official approval to the Chancellor's short three-paragraph Volunteers Bill, which it had been asked to consider in an unusually brief period of time in order to comply with his desire to get it passed into law by mid-July. One reason for the Bundesrat's criticism concerned relations between the Federation and the *Länder* over which the Bundesrat keeps jealous watch. The financial estimates in connection with raising the new armed forces showed that it was intended that the Federal authorities should have considerable administrative power within the *Länder*, but in the Bundesrat and elsewhere there is also criticism of the Volunteers Bill because it is feared that it may imperil the necessary safeguards for the democratic control of the future armed forces and of the conditions of military service. The Government, on the other hand, regards the Bill as a temporary measure to enable *cadres* to be organized quickly which will have no effect on later legislation. During the past three or four years groups whose support of the Chancellor's policy and desire to see the Federal Republic in partnership with the free world cannot be doubted have devoted much effort to the consideration of this important aspect of German democracy.<sup>3</sup>

<sup>1</sup> F.D.P. Press Service, 3 June 1955.

<sup>2</sup> See above, p. 287.

<sup>3</sup> See *Der deutsche Soldat in der Armee von Morgen* (München, Isar Verlag, 1954).

The Schlüter case and the Volunteers Bill have apparently raised misgivings among all parties and led to some outspoken press comment in newspapers which do not generally support the Opposition or flirt with neutralist ideas. One recent article<sup>1</sup> suggested that the Western allies at the moment appeared to test the sincerity of the Federal Republic's intentions solely by the immediate creation of the twelve divisions, and regarded any hesitations or tendencies to question the Chancellor's policy as resulting from unworthy motives. The author implied that too high a price might be paid: Germans themselves must not disregard anything which appeared to endanger political democracy. While the Chancellor himself, after his visit to the U.S.A., now has before him the prospect of discussions in Moscow, and while defence preparations are taking place, not even an interim balance sheet can be drawn up. Of the defence preparations it may be hazarded that there are grave internal political drawbacks in the haste with which this is being done,<sup>2</sup> which even Dr Adenauer, with the prestige he has won as the successful architect of foreign policy, cannot safely disregard. It may be that in the future he will be compelled, in the interests alike of the Federal Republic and of the free world, to devote more of his time to internal policy.

H. G. L.

<sup>1</sup> *Süddeutsche Zeitung*, 4-5 June 1955

<sup>2</sup> Cf. *The Times*, 13 June 1955

## *Contemporary Trends in Uganda*

SINCE the deportation of the Kabaka in November 1953 there has been a revolution in political thought and action amongst the Africans in Uganda. Before then their aspirations were inchoate, and the expression of feelings sometimes took an extreme form, as witness the riots in 1945 and 1949. The reaction of the Baganda in particular, but also of the other tribes, to the exile of the Kabaka has been restrained, dignified, but undoubtedly most expressive and, indeed, effective. There has been a marked absence of violence, and in the face of passive protest the British Govern-

ment has had to revise its earlier statement that there would be no possibility of the Kabaka's return.

The work of the mission under Sir Keith Hancock has probably done more than anything else to bridge the chasm of suspicion and mistrust which separated the official and Baganda points of view. The constructive recommendations of the Namirembe Conference which sat for three months of intensive work under the chairmanship of Sir Keith in the second half of 1954 paved the way for real agreement between the Lukiko and the Governor.

At the time of writing it is not clear whether the Lukiko delegation now in London to see the Colonial Secretary in order to ask for the immediate return of Mutesa will achieve its goal, but it has undoubtedly made a good impression on Parliamentary and other opinion. There is now little doubt that Mutesa II will return to Mengo as Kabaka, although it is not yet clear exactly what formula will be used to equate the almost unanimous Baganda wish for his presence with the Protectorate Government's anxiety to end this unhappy story on a hopeful and constructive note. It would, however, be rash to assume that the return of the Kabaka would lead to acquiescence by the Uganda Africans in any policies which the British Protectorate Government may choose to follow.

Although many declarations have been made to assure the Africans of the progressive intentions of the administration there is in many quarters a fundamental uncertainty about their sincerity. It may be true that a great deal of this suspicion is emotional and prompted more by the yearnings of nationalism than by a realistic assessment of Government policy, but there may be some genuine causes for disquiet. The qualification introduced into the time-honoured description of Uganda as an African State has been noticed. Thinking Africans look askance at the Colonial Secretary's statement<sup>1</sup> of 23 February 1954 that 'the long-term aim of H.M. Government is to build the Protectorate into a self-governing state' and that 'when self-government is achieved the Government of the country will be mainly in the hands of Africans'. He also referred to the need to safeguard the rights of the minorities and added: 'but this will not detract from the primarily African character of the country'.

The inclusion of the qualifying word 'primarily' frightens many African leaders. They remember that the phrase was first used in

<sup>1</sup> White Paper on Buganda, November 1954, Cmd. 9320, Appendix B, paragraph 1.

Kenya in 1923 when the Devonshire White Paper said: 'Primarily Kenya is an African territory and H.M. Government think it necessary definitely to record their considered opinion that the interests of the African natives must be paramount and that if and when these interests and the interests of the immigrant races should conflict the former should prevail.' They believe that the word 'primarily' could have many hidden meanings, and they remember cynically what has happened in Kenya since 1923.

Another development which many Africans regard as ominous is the recent decision of the Government of Uganda to implement the Colonial Secretary's policy of protecting minorities by the principle of communal representation, and they are most alarmed at the prospect of one European and one Asian Minister from the nominated unofficial benches. They do not object to civil servants as Ministers and freely admit that Africans could not fill all the posts, but they are firmly opposed to appointments on a racial basis.

#### POLITICAL DEVELOPMENTS

Africans in Uganda have never been particularly impressed by the Legislative Council, which they regarded until very recently as merely a machine for rubber-stamping the Governor's decisions, but since more Africans have joined the Council—those outside Buganda and Busoga by means of indirect elections—there has been more interest in the powers that this body could exercise. This has also led to a more general appreciation of the fact that the function of the Lukiko is relatively minor. Even the Baganda now see that the Lukiko can be nothing more than a provincial council and they cannot expect it to legislate wider policy. Strangely enough, although the Kabaka's deportation seemed mainly a Baganda affair, it has had the effect of bringing closer together all tribes in the Protectorate. The plight of the Baganda has been sympathetically understood by the other tribes, three of which, the Banyoro, Batoro, and Banyankole, have kings of their own and agreements with the Crown. The Mukama of Toro protested most strongly against Mutesa's deportation and the other two kings supported this, although less vociferously. The tribes were brought together in protest. Now they have a more fruitful association through the Legislative Council, and their co-operative spirit will stand them in good stead.

One of the results of the Namirembe proposals, if adopted, will

be the ending of the long deadlock between the Lukiko and the Legislative Council. When the Legislative Council was enlarged at the beginning of 1954 Baganda representation was not filled, as had been intended, through elections from the Lukiko, and the Governor felt impelled to nominate the three former Baganda members. If the Lukiko now agrees to participate fully in the Legislative Council their elected representation will be increased to five, and then one can expect that the Lukiko itself will take greater interest in the Council deliberations, rather as if an English County Council had nominated Members of Parliament. The changes in the Legislative Council have the effect of reducing the European and Asian members from seven to six each, and increasing the representation of African members from fourteen to eighteen. The short-lived 'cross-bench' membership has been converted into a Government back-bench, 'the members still being free, as at present, to speak and vote as they like on a motion of confidence' <sup>1</sup> The result of these changes will be to clarify and increase the effectiveness of African participation, but there is considerable uneasiness at the continuance of communal representation.

In particular, the Uganda National Congress, formed in 1952 to unify the tribes and press for self-government, has chosen to pinpoint this question in its criticism of the Government's policy. The Congress is opposed to communal representation in principle and it suspects that this could be the thin end of the wedge for multi-racial government of the type now in the experimental stage in Kenya. There is no place, they say, for this in an African country. The minorities are well protected by the overriding powers of the Governor and the rule of law, and the non-African races could, if they took Uganda citizenship, be as free as any African to participate in the affairs of State. There is no racial discrimination, they claim, but only an anxiety to remove the principle of the appointment of representatives merely for the colour of their skin. The aim of the Uganda National Congress is the direct election of the Unofficial Members of the Legislative Council by a universal adult franchise. They believe in the constituency method rather than the electoral college. It is interesting to consider that if constituencies were arranged in Uganda and Europeans and Asians had votes along with the Africans it is more than likely that a number of Indians and Europeans would be

<sup>1</sup> *ibid.*, Appendix C, para. 28.

elected, as the towns of Kampala, Entebbe, Jinja, Mbale, and Soroti would have substantial numbers of non-African electors.

The last two years have seen considerable increase in the support given to the Uganda National Congress. Before the Kabaka's exile it was generally thought that the Congress was unsympathetic to the Kabaka, although in fact the President, Mr I. K. Musazi, and Mutesa were on friendly terms, but certainly the mass of Baganda opinion was little interested in the Congress at that time. The bulk of its support came from outside Buganda, in particular from Lango in the Northern Province and Toro in the Western Province. In the latter case support had been whipped up by widespread opposition to the establishment of the Queen Elizabeth National Park in the Toro district. In the last year more Baganda have joined the ranks of Congress, including a number of more influential members of the Lukiko who were formerly opposed to it. These include, significantly, two County Chiefs.

The recent release of the Vice-President, Mr J. W. Kiwanuka, from a deportation order made against him last year during the Emergency has added to the active ranks of the Congress leaders. Mr Kiwanuka is an able journalist who edits an English language weekly, *Uganda Express*, and a tri-weekly Luganda paper, *Uganda Post*, with a large readership. He is another one of those who have changed allegiance in the last few years. At the time of the 1949 riots he was generally considered to be on the Government side and was set upon by a gang of rioters and gravely injured. Such is the irony of events that he still has a personal message of greetings and thanks from the then Governor, Sir John Hall, hanging in his sitting room.

The Congress recently sent a delegation to London which was, perhaps, the most representative unofficial delegation Whitehall has yet seen from Uganda. Besides three Baganda members there was one each from the Acholi and the Lango districts in the North, Bunyoro and Toro districts in the West, and Ankole in the South-West, thus demonstrating that Congress support is drawn from all parts of the Protectorate.

The other parties in Uganda have not made so much headway. Mr E. M. K. Mulira, an erstwhile member of Congress who attended the Asian Socialist Conference in Calcutta as one of its delegates, but who later left to form his own party, has not a popular following, although his paper *Uganda Empya* is widely read. Mr S. Zake, a recently qualified barrister who returned in

1954 after many years in Europe, formed the All-Uganda Party and it is reported that he has since attempted to link this with the Congress. The Bataka group, which is restricted to Buganda, is (or was) anti-European and is in favour of quaint policies which aim to bring an irresponsible return to tribalism. It does not now command so much support as it did at the time of the 1945 and 1949 riots, and less has been heard of Mr Semankula Mulumba, who does, however, still maintain a 'Uganda Embassy' in London on the money raised by his supporters.

#### IMPORTANCE OF CO-OPERATIVE SOCIETIES

The reactions of opinion in Uganda to the recommendations of the East Africa Royal Commission are not yet fully expressed, but it is probably true that political controversy will overshadow the consideration of some of the more serious problems and far-sighted remedies suggested in the Report. The analyses and recommendations are no less important for Uganda than for Kenya or Tanganyika, but they would be stillborn if not allied to an understanding of the political bases of progress. Political development must, as far as Uganda is concerned, go hand in hand with economic expansion, otherwise Africans will become increasingly suspicious that industrial and mining developments and even, perhaps, agricultural progress would be mainly controlled by alien interests. The political forms of African participation in the economy are no less important than the measures taken to create an expansion of it. The Report itself emphasizes the importance of organizing African participation. It says:<sup>1</sup> '... in the passage from tribal forms of society to a wider modern economy, individuals may feel a sense of being lonely and lost unless an organized form of economy is there to help them. In this respect planned settlement schemes, and the work of such bodies as the Tanganyika Agricultural Corporation and of co-operative societies, may fill a very general psychological need. Our meaning is not that Africans are hopeless and need control but that the road forward needs planning. We judge it essential in this planning that the people themselves should feel a sense of participating in its creation and administration. . . .' The co-operative societies in Uganda are now in a position to play their most important role in the drama of the developing economy. Co-operative societies have grown from a

<sup>1</sup> East Africa Royal Commission 1953-1955, Report, Cmd. 9475, Chapter 25, paragraph 14.



mere handful in 1947 to no less than 800. These are mainly primary marketing societies, but a number of very successful unions have been established from them.

The compulsory acquisition of cotton ginneries from Indian owners has enabled the unions to enter the processing side of the cotton industry in which African peasant farmers have such a vital interest. They have also entered the coffee curing industry, though on a relatively smaller scale. The future development of unused land, of which there is a considerable amount, should give further opportunities for co-operative expansion. The Report makes the interesting point<sup>1</sup> that in Lango, Acholi, Bunyoro, and even in a part of Buganda there still exist community customs of planting crops in one consolidated area and working them collectively. These examples would seem to be a very suitable basis for experimentation in co-operative farming in the widest sense. The development of mechanized agriculture and the scientific use of fertilizers is needed if the agricultural revolution is to get under way. From all social and political points of view it is desirable that co-operative methods be used in such development to ensure that the peasants feel they have some stake in these changes in their own country. The Busoga farms project is considering introducing tenants into what has been a plantation type development, and it is also intended that tenants should be introduced on the land of the Bunyoro Agricultural Co. It is important that the idea of development through co-operative societies should be encouraged at the outset and that they should be as much inspired by the peasants themselves as by coercion from above.

The greatest weakness perhaps of the Uganda Co-operative movement is that it rests so heavily on the services of the Department of Co-operative Development, whose staff of over twenty Europeans and a hundred African assistants not only provides supervision of accounts but even takes part in the day-to-day managerial decisions. One senior co-operative officer spends a large part of his time in directing the operations of the cotton ginneries under the control of the Uganda Growers Co-operative Union, simply because there is no adequately trained staff directly employed by the Union. This seems to be an anomalous state of affairs. The object of the civil servants in the Department of Co-operative Development was intended to be supervisory in the most general sense and they were not meant to involve themselves in the

<sup>1</sup> *ibid.*, Chapter 22, paragraph 81.

day-to-day problems of co-operative societies. The societies undoubtedly need non-African staff, at least until African personnel have been trained, but it is not advisable for civil servants to be so employed because of the conflict of loyalties that is bound to result.

The Royal Commission believes emphatically that protection and controls in the economy should go, since these have had the effect of bolstering up inefficient forms of production. The case of the cotton ginneries is singled out as the Protectorate Government has a cumbersome system of controls which restricts the number of ginneries, compensates those ordered to close down, and works on a system of quotas which restrict the freedom of the peasant producer to sell his crop in the best available market. The co-operative unions would be delighted if this system were thrown overboard in favour of a freer economy in cotton since they are now strong enough to stand up against competition. The present controls only have the effect of bolstering up the inefficient Indian ginnery owner and preventing the rationalization and improvement of the industry. The loyalty of the peasant co-operators to the unions has been remarkable and they could build on this support.

One of the results of the governmental policy towards cotton ginning and the banning of new entrants into the industry has meant that the ginneries taken over by the co-operative unions had developed a monopoly value far above their economic or replacement value. The compensation paid when they were acquired is an unfair burden on the unions and some method, it is felt, must be found for lightening this.

#### LAND TENURE

The Royal Commission recommends the breaking up of the tribal systems of land tenure in favour of individual land ownership. In Buganda this process has already developed to some extent through the 'mailo land holdings' although this distribution of land, stemming as it does from the grants of land made to chiefs as part of the 1900 Agreement, has been unfair to the majority of Baganda who were condemned to be tenants on what was previously tribally owned land. This injustice would be to some extent diminished by the granting of individual rights in the present Crown lands in Buganda. The co-operative societies could well be vested with some of the unused land where this is in close proximity to established co-operatives as this would both encourage

the development of a proven institution on which the A rely in the breaking up of the tribal structure and provide opportunity of mechanization.

In the areas outside Buganda where the local peasant may be the better solution for the land to be held co-operatively. As the Commission recommends,<sup>1</sup> 'Co-operatives have the advantage of being a movement from the peasants themselves rather than an organization imposed over them. In this sense they represent a form of self-expression at a time when many Africans are looking for a greater share both in deciding their own future and in understanding the processing and marketing of their products. Under this stimulus they have made great headway in Uganda. It would be wise to give every encouragement to the co-operative movement which should be a dynamic ally in the process of ordered economic change'.

The industrialization of Uganda has made some steady progress in the last few years. The £22 million Owen Falls hydro-electric scheme is beginning to provide some of the power for the Uganda Cement Industry has been very well established at Tororo, although the Sukulu Iron and Steel project has been shelved owing to failure to secure outside investment. The Kileleshwa copper mine is the result of co-operation with Canadian Frobisher Limited, which is investing £4 million with the Protectorate Government and its Uganda Development Corporation, whose investment is £2½ million. Much of the success of these developments is owed to the energetic chairmanship of the U.D.C. by Mr J. T. Simpson. He must feel satisfied that the recent report showed a trading profit of £268,777 from its operations. This is an increase over the previous year of £70,000 and is a credit in these days when public enterprise and colonial development is generally expected to show a loss.

Mr Simpson has been hopeful that he could obtain more African participation in the U.D.C. from Africans and African institutions. It is true that Mr Balamu Mukasa, formerly a lecturer at Makerere College and Prime Minister of Bunyoro, is a member of the U.D.C., but he is not influential among Africans and has been described by Mr Paulo Kavuma (Katikkiro of Bunyoro) as a 'Government stooge'. It may be possible for African governments and co-operative societies to be more closely associated with the U.D.C. to help to overcome the suspicion

<sup>1</sup> *ibid.*, Chapter 22, paragraph 90.

Africans have about the tempo of industrial development. These fears have been expressed by Dr E. M. K. Muwazi who said recently: 'We cannot avoid the fear that the increasing influx of foreign capital for the industrial development of Uganda's natural resources, together with unrestricted European and Asian immigration, will encourage foreign political ambitions'. Dr Muwazi, who is the General Secretary of the Uganda National Congress, suggested that there should be a 51 per cent African interest in large-scale developments.

One of the greatest needs in an under-developed area is to persuade outside capital to come in without involving the loss of domestic control of the economy. Foreign capital therefore needs to be linked with domestic savings. In Uganda there is a possibility of savings being achieved, especially if the world prices of her principal export crops, cotton and coffee, remain high. The export surplus in the nine months January/October 1954 was £16,727,000, which is an indication of the strength of the economy if favourable terms of trade continue. The coffee and cotton Price Support Funds which now stand at £14 million and £15 million respectively cannot in fairness be used unless on schemes of direct benefit to the coffee and cotton farmers who provided the funds by compulsory saving.

Uganda is at the turning point when new institutions and loyalties have to take the place of the old customs and habits that are dying out under the impact of industrial and agricultural revolutions. Undoubtedly the inspiration must come from the West. The Africans themselves reject the idea of being absorbed by Indian culture; the Lukiko recently declared that it was 'an entirely different civilization, which the population of Uganda has never chosen to follow'. During the formative decade which lies ahead it is important that European influence should be exercised in a vital and imaginative manner.

J. T. S.

# *Towards a Soviet Bourgeoisie?*

## *Implications of*

### *'The Thaw' and 'The Seasons'*

MAYAKOVSKY wanted

. . . pens listed with bayonets,  
The output of poems listed with iron and steel.  
Let there be items on the labour of poets  
In Stalin's reports from the Politbureau.

Unfortunately the Party took his words all too literally, and it is constantly surprised by the inconvenient fact that literature cannot be incorporated in a production plan. For if it has but the haziest idea of the processes of artistic creation, it has a healthy respect for the power of the finished product. Georgi Alexandrov, Soviet Minister of Culture, complained petulantly at the Soviet Writers' Congress last December that 'a politically bad book carries error into every corner of the country and into millions of minds and requires the labour of thousands of State officials to cure'.

Professor Alexandrov should know what he was talking about. Three months after he had uttered those words he was dismissed on the same grounds of incompetence as his master, Malenkov. It is interesting that he had been dismissed from an earlier post, in propaganda, by Malenkov's arch-rival Zhdanov. The next few months will reveal the exact extent of the *zhdanovshchina* implicit in the second dismissal: Nikolai Mikhailov, who replaced him, is also reported to owe something to Malenkov, at least in his early career. In the meantime it must be said that, from the point of view of the regime, Alexandrov had certainly failed to manage the business of his Ministry to its satisfaction.

During his regime heresies of all sorts sprang up and flourished like spring flowers after winter snows. Two novels in particular were full of unwelcome tendencies. The first was Vera Panova's *Seasons of the Year*. *Pravda* itself had to intervene<sup>1</sup> to secure 'principled discussion' of this novel too rapturously received by less Party-minded critics. The second, by Ehrenburg, pointedly christened *The Thaw*, was promptly refrozen by Simonov's two long adverse reviews in *Literaturnaya Gazeta*.<sup>2</sup> Yet it is notable

<sup>1</sup> In an article called 'What Sort of Seasons are These?' (*Pravda*, 27 May, 1954).

<sup>2</sup> *Literaturnaya Gazeta*, 17 and 20 July 1954.

Ehrenburg, at any rate, was able to fight back, and did so most of all in print and even at the Writers' Congress which was held at the turn of the year to reaffirm the sanctity of the doctrine of Socialist Realism.<sup>1</sup> There is no sign that he is in any serious danger now. He was reported to be very cocky and blithe on the last visit he was allowed to pay to Paris. Surprisingly, Vera Panova has been awarded a medal, the Red Banner of Labour, which was bestowed upon her in April. Both of them have been recommended to the Board of the Writers' Union.

They are luckier than the playwright Zorin, whose most successful satirical play *The Guests* went altogether too far in criticism of the bureaucracy. His turn may come—the names of half a dozen 'rootless cosmopolitans' have recently been restored to the blacklist of current periodicals. Sholokhov too has been given the Order of Lenin, despite his bitter outburst against mediocrity and against the Prizes 'whose First, Second, and Third Grades make one of grocery'. His fiftieth birthday was celebrated by the bestowal of the Order of Lenin and an entire issue of *Literaturnaya Gazeta* devoted to his praise.

On the one hand we have increased insistence on stern Socialist Realism, with the dismissal of the Minister who probably winked at the fences against the doctrine; on the other, this surprising leniency towards the offenders themselves. Nevertheless, official censorship is strict enough to prevent the reappearance of anything so blatant as the works that appeared in the first months after Stalin's death. *Seasons of the Year* and *The Thaw* are likely to remain banned for the insight they give into the internal problems of Soviet society. It is good that both these books are available in English.<sup>2</sup> As literature they may be unimportant, but as 'documents' they are invaluable.

Fundamentally, both books are studies of the malaise among the Russian intelligentsia. Panova's book, probably written some time before its publication, is the less topical of the two. Ehrenburg's, written with the Writers' Congress in mind, is as insolently up-to-date as a polemical pamphlet, and as barbed.

Panova's story, set in 'a typical Russian town which we shall call Zensk', concerns two families, the Bortashevich and the Kup-

<sup>1</sup> 'The Dilemma of Soviet Writers', in *The World Today*, April 1955.

<sup>2</sup> *The Thaw*, by Ilya Ehrenburg. Translated by Manya Harari. The Harvill Press, 1955, 10s. 6d.

*Seasons of the Year*, by Vera Panova. *Soviet Literature*, No. 5, 1954. Translated by Eve Manning under the title *A Year's Season* 1s. 6d.

rianov. The head of the first family, and by far the most vivid character in the book, Stepan Bortashevich, has risen to a position of great responsibility and power as head of the trading organization of the town. Alas, led astray by 'his evil-doer of a wife', Nadezhda, he betrays his responsibilities, embezzles funds, diverts raw materials for his own profit, and ends up by blowing out his brains as the militia come to collect him. He has however two very worthy children. In this, as in everything else, he is very different from the other main character, Dorofeya Kuprianova, a Party member since the early years, a member of the Town Executive, wife of an engine driver yet holding an important job in industry herself. Her student daughter is exemplary; her son, Gennadi, is the black sheep. He gets himself mixed up with a bunch of criminals who are involved in the rackets run by Stepan Bortashevich. And so the wheel comes full circle; methodically progressing from New Year's Day, the pageant of the seasons is played out.

Ehrenburg's story is so episodic that the thread of his narrative is even more tenuous than Panova's. His characters are all managers, professional people, or artists. Ivan Juravliov, manager of a big industrial plant, is not a criminal like Bortashevich, rather indeed he shows *trop de zèle*, pressing output figures up without paying any attention to the welfare of his workers. He is unwilling to divert resources from the factory to build decent housing. One night there is a mighty storm. A workers' hutment blows down, and with it Juravliov's career. His wife Lena, a schoolmistress, has left him before this, disgusted by his insensitiveness and moral cowardice, and also attracted by Dmitry Koroteyev, a high-minded engineer whose qualities have won her love. Lena admires an elderly retired schoolmaster called Pukhov, who has spent himself in the service of his pupils. This old idealist has two children, Sonya, a party-indoctrinated student, and an artist son, Volodya. This boy is the key of the parallel, and perhaps more important, plot which deals with the dilemma of the artist in Soviet society. A disappointed pot-boiler himself, he has a high respect for Saburov, a painter who lives in poverty but preserves his artistic integrity.

Loosely woven into this crowded tapestry are Vera Sherer, a Jewish doctor who suffers the repercussions of the Doctors' Plot of 1953, and Sokolovsky, an engineer who is penalized for having a daughter who lives abroad. These two are brought together by love, and so too are the schoolmistress and her engineer. Even the

dissatisfied hack painter, pessimistically resigned to his lot, comes to better terms with the dissatisfied actress who is his singularly unenthusiastic mistress. By the end, winter is over, the thaw begins, life starts afresh with new hope, or at least with reconciliation to the inevitable.

In their sidelines these stories contain fascinating admissions. For instance, Panova reveals some of the tidy little rackets that can be run with the aid of the State Loan. No interest is paid on these loans, but lotteries are held to determine the order in which certificates can be redeemed at par, and to decide which of them have won prizes. Hope springs eternal, and the lists of lottery prizewinners are studied in Russia as eagerly as the Classified Editions are scanned here. Bortashevich's financial circumstances improve suddenly and rather noticeably as a result of his deals in scarce raw materials. 'To conceal the real source of the money Nadezhda (the wife) spread the story that her father had won a big sum on a State Loan certificate and of course it was the most natural thing in the world for the old man to give his only daughter a generous share.'

Elsewhere in the novel a 'crisp clean blue prizewinning certificate' for 10,000 roubles is bought from a widow, by a shady character in a grey fur hat, for 15,000 roubles—it is evidently worth paying 50 per cent more than the winnings to have a legitimate cover for ill-gotten gains. Van Meegeren, the Dutch picture forger, used exactly the same device to explain the sudden wealth engendered by the sale of his 'genuine Vermeers'—but that, after all, was in 'the jungle of capitalism'.

Another hint to the criminal is the resourceful notion of serving prison sentences by proxy. Certain gentlemen find themselves on the spot—trials and prison sentences loom as a consequence of a warehouse fire started as a cover for vanished raw materials. To Gennadi, their pawn, they say: 'You take the rap! But you get a salary for every month according to the law of friendship.' They point out that prison is not a bad place these days and that he will be paid 1,200 roubles 'tax free' for every month of the expected ten years' sentence. 'You'll be able to come out after a few years a rich man.' To help their victim to make up his mind they remind him that they are in possession of an incriminating receipt he was foolish enough to sign.

Still, only a small proportion of any population is engaged in crime. Ehrenburg's characters are less highly coloured. He offers



many frank glimpses of the discomforts of everyday life the intelligentsia, both physical and spiritual. Housing difficulties, food queues, the high cost of education, the shortage of consumer goods are touched upon in turn. Great things were expected from the Malenkov policy: 'It's absolutely right to say about the footwear, the pots and the pans. They mean to live properly.' This is a sentence which Ehrenburg will have to live down since the policy change about consumer goods. Such changes in the Party line are commonplaces to the intellectual who lives in an atmosphere of psychological insecurity from early youth.

Ehrenburg is open about this insecurity. 'Dmitry (Kolya the engineer) was in the tenth grade at school when he had his first great trial: in the autumn of 1936 his stepfather was arrested. . . . A few days later Dmitry was expelled from the Komsomol.' (Panova also has a character threatened by expulsion from the Komsomol, with all that that involves for a young son.) Ehrenburg is equally outspoken about the hounding of other innocent victims. The designer Sokolovsky lost his job through an article written by a journalist who had unearthed the existence of the daughter in Belgium; he fears, and with reason, that this story will be brought forward again to him from his present job. The press, whose function has been frankly defined in *Partinaya Zhizn* (Party Life) as the continuation of the Party apparatus, is an important factor in the lives of the intelligentsia. Ehrenburg's managerial characters are in its praise or are terrified by the prospect of its censorship which there is, of course, no appeal.

These managers, in much the same way as any nineteenth century capitalist, are independent of control from their superiors—and at the Moscow industrial conference last March they called for still wider powers—but they are still subject to a sudden change of mind. Juravliov, in *The Thaw*, is surrounded by the menials who fawned on him before are openly insolent at his departure, and then he is forgotten as if he had never been. Grusha, his charwoman, kept asking when would Juravliov return with his luggage—all the rooms were cluttered up and she had to turn out the flat: the New One was expected soon.' Managers and party officials are uneasily aware that they may be ousted for a New One. No wonder the Party finds that initiative is lacking; no wonder factory directors and people of similar

avidly seek some way to stifle their fears, some means of escape.

Both authors depict the restless search for relief. Volodya Pukhov, the artist in *The Thaw* who has prostituted his talent, wonders if he can buy a car: 'Shall I buy a "Victory?" Nice to speed on the road, everything flickers past. You haven't time to notice anything.' His soliloquy continues: 'I could do with a drink now. At the hanging committee in Moscow Kriukov cursed the painters for being pessimistic and shouted: "We must have optimism"—and then took to drink and was taken off to hospital.' Alcoholism is, in fact, one of the regime's most serious social problems not only among the workers but also among the intellectuals, as exemplified in the spectacular case of the writer Surov who was expelled from the Writers' Union a year ago for drunkenness and hooliganism.

Panova's Gennadi Kuprianov is an example of a 'teddy-boy' type, the son of respectable parents, who eventually gets mixed up in hooliganism and crime. He revolts against the sober, duty-bound life of his parents: 'he wanted to have a car of his own and travel where he would. Get sick of one place—off you go to another—that's the life.' Needless to say, the clothes give away the man. His 'long ultra-fashionable jackets' and 'hair nearly down to his shoulders' have a dreadfully familiar ring.

Absorption in everyday routine seems to be the only solution open to the intelligent man who does not wish to be anti-social in his distractions. Work is after all a drug, as much a form of escapism as alcoholism itself. 'He had one remedy against desperation—work.' That is Ehrenburg's engineer, and thousands of other people in a similar position. On the surface it might seem that the more a man works the less trouble he will be to the regime, but in fact the more the intelligentsia becomes absorbed in its jobs the more professional freedom and personal security it will demand. Also, the inefficiencies of Communism will prove as irksome as the restrictions which are often their inevitable cause.

The position of the artist is intolerable—the true artist, that is. The requirements of Socialist Realism are a goldmine for the hack without conscience. Ehrenburg portrays the tragedy of the artist very clearly. He depicts vividly and briefly the process by which a young artist is brought to heel. 'Volodya lost his temper at an artists' meeting and trounced the venerable masters, laureates twice and thrice over. It was then that it was discovered that he had been given the studio by mistake and it was required for an artist

who had recently been made a laureate. At the same time his mission to paint the portrait of a distinguished steel-worker inexplicably cancelled. Volodya realized that he had said the wrong things. He set about retrieving his position; he lavished upon the artists he had insulted, he ran down his own work, called himself a boor and a bad comrade, and finally announced that he was leaving for the provinces to gain experience of life at an industrial plant.' Once there he set about painting portraits of Stakhanovite workers and prize hens.

Cynicism is one possible attitude which the artist under Communism can adopt, retreat to the ivory tower is another. The artist—and Ehrenburg himself, one feels—envies and respects the unsuccessful painter Saburov who is willing to accept poverty and isolation to pursue his art. A type Ehrenburg does not deal with and it would have been interesting to have his views—on that artist who sincerely believes in the Party line. The bewilderment at the frantic attempts to keep up with its contortions must be breaking before the inevitable disillusionment sets in.

But this is touched on in a question that is asked by implication in *The Thaw*: whose position is worse, that of the cynic or that of the believing Communist? The old schoolmaster broods about his two children, one a cynic, the other an enthusiast. 'He remembers Volodya's words with horror. "It's some kind of double standard. I address activists, paints workers, and then calmly tell everybody is a liar".' His daughter, Sonya, is perhaps more typical. She loves literature but studies engineering because of its usefulness. 'She liked poetry, particularly Blok and Lermontov but she told her father "If there is any room for poetry at all, only a little be for Mayakovsky's".' She is imprisoned in her conviction and recognizes the fact: 'Father says I've chained myself. I know how I'd like to go to him and say "You were right".' She does. She goes away from her problems and her home to work in a factory in another city. She is typical of the young people who are being sent off nowadays to the virgin lands there to expend their youth, their strength, and their enthusiasm.

Many parents among the intelligentsia have known heartbreak like Pukhov, the schoolmaster. Fewer have had to face the problem that confronts Dorofeya Kuprianova, Panova's heroine. Despite this fine example, her son is a hooligan and a scoundrel. It is interesting that this is partly because she has been so busy with public work that she has not given sufficient thought to the upbringing of

son. 'Mother's literally ruined Gennadi,' says his sister Yulka, adding sententiously, 'People aren't born bad. Everything depends on upbringing.' Yulka was voicing a good Party sentiment. Panova, the critics decided, was not.

The crux of the criticism against her was that she had implied that misfits and misdemeanours among her characters were created by the system and not in spite of it. The regime has a convenient blanket explanation for things it does not like. Offences against the ethos, anything from tipping to tattooing, from personal possessiveness to actual fraud, can be written off as 'bourgeois survivals'. Since the Revolution is now thirty-eight years old 'bourgeois survival' is becoming an increasingly threadbare explanation. It therefore needs to be treated with all the more respect and care. Yet Panova and Ehrenburg both show in detail how it is the system itself that causes the offences against it. The chapter on the decline and fall of Stepan Bortashevich is an illuminating exposition of the ruin of a man by the temptations placed in his way by power. His escape in suicide caused still more trouble for Panova. She was censured for not seeing that the criminal was brought to justice—another slur on the regime. Having depicted these shocking things she ought to have put them right in the end. As it was she was guilty of idle 'naturalism', telling a story without drawing a moral.

Ehrenburg nonchalantly insured himself in advance against criticism. He shamelessly opens his novel with a readers' meeting in a factory—the sort of thing he knows his own work will undergo. The novel under discussion is sternly criticized on orthodox lines but by a man who reproaches himself for his insincerity as he strides home from the meeting calling himself a cheap liar. This is as neat a way as any to point out that the critics themselves do not believe the criticisms they utter in compliance with the Party line.

'Can there really be a lot of people in the world who lie continually? Like me. . .', another character asks himself. Members of the intelligentsia who are sick of their own insincerity must be beginning to seek each other out. When they can find each other and trust each other the regime will have a pretty problem on its hands. It faces the problem of the consolidated revolution in ever-sharpening acuteness. The men at the top are still of the first generation, ex-revolutionaries. But younger men are beginning to breathe down their necks. There may be many Malenkov types

temporarily outmanoeuvred but biding their time. To power the Party must keep these people happy. For one they are the technocrats. The post-Stalin regime started to their goodwill with the frigidares and fashions, the holiday cars that are regarded as well worth the waiting and queueing purchase involves. Lower grades had to be content with lace radios, and fringed lampshades. Policy emphasis has now turned away from consumer goods—partly because it economically too ambitious a programme in itself and partly haps, because the proles showed signs of wanting to join in the advertisements for holiday resorts still appear, and fas are undeniably snappier.

*Burzhnaznost* (bourgeois-mindedness) is abroad. Its festivities are occasionally slapped down, but it exists, and surprising extent. The Central Writers' Club in Moscow, for instance, has a 'Wives' Council' whose good ladies attend lectures, foreign language classes, and dressmaking and embroidery classes in a thoroughly bourgeois fashion. A great upsurge of bourgeois nostalgia was aroused by the film of Chekhov's *Anna on his* (shown in London in February 1955 under the title *The Cross*); enormous queues wound round the Moscow cinemas waiting to be admitted to a glimpse of the capitalist splendour, champagne suppers and troika races, balls and jewels and fine clothes.

This nostalgia has somehow to be met. It is very powerful. Take only trivial examples, American 'flash ties' are frowned in Russia, yet they are to be seen there; jazz tunes permitted although they are officially deplored; tattered copies of *Life* circulate from hand to hand. The people involved are the same characters depicted in these two novels. Not all of them trivial. What begins with a demand for material freedom can end in pressure for spiritual liberty as well. Panova's message to readers seems to be one of endurance, albeit indignant endurance. Ehrenburg is less passive. His final chapter depicts the coming of the thaw, but in the penultimate chapter Volodya, the painter, an ordinary hack, goes kicking frozen puddles as he used to do when he was a little boy, getting the water free of the ice. The position of these dissatisfied members of the intelligentsia is something to be watched with compassion and with excitement.

E.

# *Burma Today*

## *Awaiting the Welfare State*

IN the past two or three years internal security in Burma has greatly increased, while a plan has been prepared and the first bricks laid in the establishment of a Welfare State. But the country still remains suspended in a period of transition: the old order is officially dead, but the new has not yet been born.

Burma's prosperity, indeed her national survival, is dependent first on stamping out the eight-year-old rebellion—or what General Ne Win has more correctly described as 'the Civil War'. Whilst it would be artificial to distinguish different phases in this confused conflict, the years 1952 and 1954 were nevertheless milestones.<sup>1</sup>

### THE CIVIL WAR

Up to 1952 the Government was concerned with immediate objectives—winning back district towns and opening up roads, rivers, and the railway, there would be an occasional rebel counter-offensive, but they were being slowly worn down and driven back into the jungles and hill-areas. Then in 1952, just when the Government was able to formulate strategic plans to close with the rebels on their own ground, there came the Kuomintang crisis. Early in 1950 certain Chinese Nationalist troops, headed by General Limi, had marched out of Yunnan into what they were pleased to describe as 'undemarcated territory'—the Wa States and Kentung. At first they caused little trouble, but after abortive attacks into Yunnan in 1950 and 1951 had shown that the early 'liberation' of China was only a mirage they settled themselves in Kentung as 'War Lords', levying 'tribute' from the local people. Counter moves were made by the Burmese authorities, and in the autumn of 1952 the Kuomintang abandoned the pose of occupying neutral ground. An airstrip was built at Monghsat to receive supplies and arms from abroad as well as actual reinforcements from Formosa. Fortified, they now launched attacks across the Salween River into the heart of the Shan State, north into the Kachin State, and south into Kayah State (Karenni). In February 1953 some Kuomintang units were within twenty miles of Taunggyi,

<sup>1</sup> For an account of the earlier phases of the rebellion see 'New Hope for Burma', in *The World Today*, September 1950.

headquarters of the Shan State, but thereafter the offensive taken by the Burma Army. Three brigades were committed, representing about five-sixths of the army's strength.

Meanwhile, in response to a U.N. resolution,<sup>1</sup> and under pressure from the United States, the Kuomintang agreed to negotiate. Protracted meetings at Bangkok led to the evacuation of some Kuomintang troops in November-December 1953. UN observers agreed that the real fighting units were not withdrawn. Once again the Burma Army launched an offensive, 'Operation Bayinnaung'. This, the first large-scale inter-service operation, highly successful, culminating in the capture of Monghsat air base and the Kuomintang headquarters on 24 March 1954. Thereafter the Kuomintang in May 1954 agreed to a further evacuation of troops. Although some five thousand of their forces still remain ravaging the hill villages of Kungtung, they no longer represent a major threat to the Union.

During all this time the rebels were able to hold their ground. On 1 October 1952 the Communists and the PVO<sup>2</sup> concluded a 'Tripartite Alliance' with the Government with the avowed purpose of forming a united front to fight the Kuomintang. The Government made no response to these rebel invitations, and the triple alliance soon wore thin, finally collapsing in May 1954. Ten months later the army took the field against the Communist forces in central Burma and in a four months' drive harried Thakin Tun Tun and his commanders until their troops were reduced to a few hundreds, isolated, without bases, almost without a future. The PVO were worn down even further: now they have only a few posts left in the Chindwin valley.

The Karen National Defence Organization are the last group to be defeated. They operated in two 'commands', the Delta and the hill country along the Siam border. Here they had a stronghold sealed by nature from attack, and also an outlet to the outside world. Late in 1953 a strong Government offensive was launched against the KNDO both in the delta and the hills, and the Mawchi mines were retaken after five years in rebel hands. The main objective, Papun, the KNDO 'capital', was not captured, but the scale and vigour of the Government operations convinced many KNDO military leaders that further resistance was pointless.

<sup>1</sup> A full statement of Kuomintang activities was circulated by Burma to the delegates to the Ninth Session of the U.N. General Assembly, April 1953.

<sup>2</sup> Peoples' Volunteer Organization, now often called the 'Green Communists'.

less, and a steady stream of surrenders followed. Early in the present year attacks were once again intensified until finally on 28 March 1955 Papun, capital of Kawthulay,<sup>1</sup> was taken. At last in the words of the Premier of Burma, 'the insurrection has dwindled down to dacoity'.

Throughout Burma there are today thousands of men who have rifles put into their hands when they should still have been at school, and who refuse to learn any trade but that of the gun. And so there is still, every day, sabotage of trains, victimization of villagers, blackmail of rice-millers. But the Government believes that this lawlessness can be brought to an end, and there is talk (optimistic, perhaps) of peace in 1956. This cannot mean that Communism will be wiped out by then: the Communists, despite their blundering failures, their excesses, their levies of men and money, can still find many sympathizers, especially among dwellers in the countryside, and most particularly among youth. Part of the reason for this continuing hold must be sought in the nature of the alternative political philosophies in Burma.

#### PARTIES AND POLITICS

The Anti-Fascist Peoples' Freedom League, the coalition that won independence for Burma, has—like the Congress in India—confounded many observers by continuing to rule as a political monolith long after its *raison d'être* has gone. Various political elements have left (or been expelled from) the AFPFL, but its original character has not greatly changed. The 'ideology' of the League is supplied largely by the Socialist Party, whose president is U Ba Swe; its secretary, U Kyaw Nyein, is also general secretary of the AFPFL. The Socialists' philosophy is derived almost entirely from Marx and Lenin, and they advocate the nationalization of all the processes of production and distribution. Other important components of the AFPFL are the Trade Union Congress (Burma), whose chairman is U Ba Swe, and the All-Burma Peasants' Organization, powerful throughout the countryside, presided over by Thakin Tin. Both these bodies claim wide membership and are ideological allies of the Socialists. Then there are constituent organizations representing communal groups: the Union Karen League, the Burma Muslim Congress, the Kachin National Congress, and the United Hill Peoples' Congress, representing the Shans and other frontier peoples. Most of these bodies

<sup>1</sup> Kawthulay, 'flowery land', the Karen name for their State.



are non-Socialist. Some outstanding members of the AFPFL are not identified with any of these constituent parties. U Nu, Prime Minister and AFPFL President, is a Socialist but not a Socialist Party member. U Tin, Minister for Finance and Treasurer of the AFPFL, is an independent conservative Socialist. In its general policy the AFPFL has to reconcile the Marxist theory of the Socialists with the cautious traditionalism—almost parochialism—of the frontier peoples, fitting both into a broad basis of Buddhist teaching and observance which is, of course, the predominant 'ideology' of Burma.

The present AFPFL mandate derives from the General Election of June-December 1951. The spreading out of the elections over six months, which was made necessary by the prevailing insecurity, gave the AFPFL the opportunity to deploy its organization to the full in successive batches of constituencies, and put the independent candidate, standing as a leader of local society, at a disadvantage: in the Parliament (Chamber of Deputies) which assembled in March 1952 there were thirty independents (some of whom support the Government) and eighteen members representing four minor opposition parties. The remainder were all members or allies of the AFPFL. The Opposition comprises some thirty M P.s in a house of 250. Even this minority is united only in opposing the Government. To the Right there is a group of seventeen, the Independent Arakanese Parliamentary Group, who stand for good administration, private enterprise, and a separate state for Arakan. The Burma Workers' and Peasants' Party, led by U Aung Than (younger brother of the dead leader, Aung San), is avowedly Communist, but works according to constitutional methods.

The extent to which the AFPFL dominates Parliament is strikingly brought home to the visitor to the public gallery of the House who looks down on a sea of AFPFL supporters with, in one corner, two small benches of Opposition members. All important policy decisions are first registered by the AFPFL at their party conferences, and although there is perfect freedom of debate Bills are passed with little discussion and no amendment.<sup>1</sup> Several major Bills may be completed in one day's sitting. This AFPFL domination of the life of the nation has led many ambitious or self-

<sup>1</sup> But not invariably. A Bill introduced in August 1954, which would have made any press comment on persons in authority a criminal offence, was quietly dropped after an Opposition walk-out and a blaze of condemnation in the press.

seeking persons to join the party merely for their own gain. And, whereas the Cabinet and many Members of Parliament may be men of principle, deeply concerned for their nation's welfare, probably the bulk of the party bosses in the districts are interested only in a life of power, prestige, idleness, and comfort. U Nu and his fellow leaders are fully aware of this situation and have recently conducted a campaign of castigation of these leeches of the League. But words alone will not clear them out. And the country people compare these bullies and bosses, whose only aim is to enrich themselves, with the underground Communists who, despite their faults, stay close to the people, enduring discomforts and dangers for the cause. Here is one reason for the continuation of unrest, and the point of danger in the rule of the AFPFL.

In order to win the support of the public U Nu as early as May 1949 put forward a fourteen-point programme, and this has been the foundation stone of much subsequent development. The Prime Minister laid the greatest emphasis on two points: the 'democratization' of local government, leading to a reform of the bureaucratic administration, and the nationalization of the land and its distribution to the peasants. Despite much legislation and publicity, the great changes heralded in these reforms have still to become apparent.

#### LAUNCHING THE WELFARE STATE

Democratization of the local administration was introduced in an Act of 1949. It provided for the setting up of a hierarchy of local authorities, with village and ward councils at the base, elected by the people, with township councils and district councils as second and third 'tiers', elected by the authorities subordinate to them. This hierarchy would, in time, inherit all the administrative powers of the district officer and his staff, while the village councils would also enjoy wide judicial powers. This 1949 Act was never put into force, and has been superseded by an Act of 1953 which was more carefully drafted, and which adopted certain new provisions, such as compulsory voting at elections. Within twelve of the thirty-three districts of Burma proper<sup>1</sup> elections have by now taken place to bring the local authorities into being. An unusual feature of the elections has been the contests between candidates of the AFPFL and those of the All Burma Peasants' Organization—which forms

<sup>1</sup> The Act does not apply to certain regions, i.e. the Shan, Kachin, Kayah, and Karen States.

part of the AFPFL! As yet, none of these councils has been set to work.<sup>1</sup>

It may be asked why there has been so much delay in the introduction of 'democratization'. Among the reasons are the continuing lack of Government control in the country districts, problems of finance, the proper reluctance of the Government to hand over functions prematurely and so by failure to discredit the scheme, and, finally, the reluctance of the other Ministries concerned—those for education, health, social services, etc.—to surrender their control over subjects which should pass to the local authorities. The Government is committed to decentralization: the various Ministries cling to centralization. In part this is due to departmental jealousy, in part to a reluctance to give up the advantages of overall planning and a fear that local bodies may be unequal to their job. The British official of former days might imagine that he was reading one of his own minutes if he picked up a ministerial file today: 'Is public opinion ready for these reforms? We must proceed with caution. . .'. These are the familiar arguments which would probably meet his eye.

Meanwhile the district officer, his role not yet reduced to that of executive officer to the district council, has long ceased to be the lord and father of his people as of old. He is overshadowed by the local politicians, answerable to the central Government for almost everything, and he finds the representatives of no less than eighteen different Government departments operating in his district under the direct orders of their own Ministries.<sup>2</sup> The district officer is, in effect, a chairman of committees (one D.O. told the writer that he sits on twenty committees). He receives a certain scant respect from the country people, but power lies in Rangoon: and that is where the ambitions of civil servants are centred. In theory, the civil service is still a non-political and impartial body of trained responsible officials as it was under British rule. In fact it is very different. There are a few dozen 'top administrators', former members of the Indian Civil Service or the Burma Civil Service (Class I). There are about one hundred of the former B.C.S. (Class II). These men still attempt to uphold the standards they were taught, but decisions—not only the making of policy, but

<sup>1</sup> Over the last eighteen months one postponement has succeeded another. But the councils are definitely scheduled to receive their new powers before August 1955.

<sup>2</sup> e.g. Public Relations Officers, Religious Affairs Officers, as well as more familiar figures such as the Deputy Inspectors of Schools.

decisions also—have passed into the hands of the Behind the civil servant's back is the slightly sinister Special Investigation, Burma's F.B.I. This has caused some real scandals, but it has also hurried unfortunates on with some publicized scheme, who break like paper slips. Under the dual pressure of a Minister S.I., senior officials are increasingly adopting a passive attitude to make any decision lest it be the wrong one. Post-war entry, almost none are of the calibre of their pre-war. Neither pay, prestige, nor prospects are attractive. The Government is vaguely aware of this situation, but despite the calling in of foreign experts to produce paper the civil service is steadily deteriorating.

Even in public administration, is an example of the state-ment prefaced this account: the spirit has gone from the old, but has not yet been succeeded by a new dynamism. The same conclusion might hold in the social sphere, with the failure of land nationalization. The really radical agricultural reforms—the Land Alienation Act, the Rent Control Act, and the Abolition of Tenancies Act, all passed before Independence. The Government's policy of the peasant fixity of tenure and a fair rent, and virtually the abolition of the financier-landlord. The Land Nationalization Act confirmed the cultivator in his new security; it also prohibited the holding of land by non-agriculturalists. Landlords not themselves agriculturalists were to be expropriated, and distributed to cultivators. Compensation was to be on a sliding scale, the maximum payment being twelve years' purchase (pre-war rates), while the minimum was one year's purchase. The first nationalization scheme was attempted in strict: it was an unqualified failure. Mr J. S. Furnivall, a critic, attributes this to 'favouritism', 'mistakes', 'bribery'.<sup>1</sup> For years the goal of nationalization remained but no progress was made towards its attainment.

Land nationalization has always been a favourite propaganda of the Burma Communists which the Government cannot ignore, so in 1953 and 1954 amending legislation was embodying some of the lessons previously learned. Land was now entrusted to elected village councils, while uncultivated land are required to join 'mutual aid' teams which will lead to more co-operative farming. The area

so far nationalized and allotted to cultivators represents less than one-hundredth part of the cultivated acreage of Burma.<sup>1</sup> But the way in which nationalization has worked out is nevertheless of interest. The elections for village committees were, in most cases, never held: committees formed themselves, usually from local AFPFL or ABPO leaders. In almost every case, the committees confirmed the sitting tenants in their holdings or exempted the owner-cultivators from nationalization. Mutual aid teams had, at the beginning of 1955, been formed only in Pyinmana District: there was no change in the old pattern of farming. No compensation has yet been disbursed to expropriated landlords. The scheme appears to have caused excitement only when (as in Mandalay District where there has been a heavy crop of appeals) cultivators have failed to understand the Acts and imagine that they are being defrauded. Land nationalization may serve a useful purpose in giving the peasant a moral incentive to farm his land better, but it will cause no economic or social revolution in Burma.

Democratization of local administration and the land nationalization policy formed two of the ten main subjects considered at the all-Burma *Pyidawtha* Conference in August 1952 which launched the present plans for a Welfare State. Of the others, probably the most important is education. The Government is proceeding with a national plan for expansion of education at all levels, with the avowed aim of making the course from village primary school to university open to every child of Burma. The first task was to overtake the wasted years of war and insurrection—to improvise training for thousands of recruit-teachers and build hundreds of schools in place of those destroyed. The programme is now well advanced; wartime losses have been made good, and further expansion is under way.<sup>2</sup> Under the pressure of the times the formal qualifications of teachers have been reduced and their training-time halved, while the standards in the classes have everywhere fallen. Clearly, some relaxation of standards is inevitable as the new idea of a Welfare State replaces the old 'law and order' administration. The new State machine will need to absorb thousands of men of education. But the observer is left to ponder whether the present policy of quantity before quality is dragging down the outstanding youth to the general low level of uniformity.

<sup>1</sup> Nationalized area = 142,747 acres; cultivated area = 16½ m. acres (1954 figures).

<sup>2</sup> Before the war there were about 750,000 students in all schools (excluding monastic schools); there are now some 875,000 students in the State schools

Before the war university students numbered about 1,200, and they were generally of a good standard. Now there are some 9,000: how much more will they contribute to Burma's development than the infinitely smaller numbers of fifteen years ago?

#### ECONOMIC AND FOREIGN AFFAIRS

To most Burmans, the new Welfare State means, above all, a transformation of the old 'colonial' economy based upon the export of certain raw materials—rice, timber, and minerals. They look forward to an economy in which agricultural production will be diversified and reinforced by industries and manufactures. The greater part of the planning activities of the Government and its advisers has been focused upon the creation of new industries. Private capital in Burma, as in most Asian countries, tends to invest in enterprises showing quick returns, such as for example the cinema business; the Government must bear responsibility for the bulk of the investment programme. The broad aim is to make Burma independent of foreign imports in respect of certain articles in common use: there will be no attempt to enter export markets. With a high-cost economy, Burma could not hope to compete with India or Japan: indeed, Burma's products will only be able to compete in the home market from behind a high tariff barrier. Naturally, Burma's 'industrial revolution' is still at a very early stage. The only big schemes so far completed are a State textile mill and the international airport at Mingaladon. Both have been costly, inefficient, and wasteful in their beginnings. Other projects include the construction of a steel rolling mill, development of a possible coalfield, and other power schemes, all still in various stages of implementation. Another branch of the Government's industrial activities is the nationalization of existing undertakings: sea and river transport, electricity supplies, a cement factory, a brewery. In addition, the Government has entered into joint ventures with existing British concerns in the oil industry, mining, and now in tea production. Joint ventures with Japanese companies are also coming into operation. But all this activity does not earn the necessary income to finance the administration and the new Welfare State. This, since 1947, has depended entirely on a single sector of the old 'colonial' economy: the sale of rice.

Despite the rebellion Burma has been able to maintain about one-third of her pre-war rice exports, and in conditions of world scarcity has been able to demand prices which, at their peak, were

ten times higher than pre-war. Foreign exchange reserves a figure of £97 million in mid-1952, but in more recent years prices have fallen while imports have increased as the investment programme accelerated. Today the exchange reserves are reduced to one-third of the 1952 figure. At the same time Burma is having to seek for new customers to buy rice, and increasingly she looks to China and Japan.

In the sphere of international affairs also, Burma looks to China. Her foreign policy is based squarely on the proposition that war means ruin and therefore the two opposing blocs must adopt an attitude of give and take'. As U Nu said in an address at Maymyo on 13 September 1954, in what is probably the most explicit statement of the ideals of his country's foreign policy: Burma's role as a small State 'must be correct in our deeds, and thoughts, even though others may be wrong. We must keep ourselves clear of war, however keen others may be to wage it. We must be careful not to be caught under the clash of two super-powers. In the pursuance of this policy Burma keeps clear of any combination which might identify her with either power bloc (as with the termination of the British Military Mission in January 1955). Burma cultivates the friendship of like-minded small States—Yugoslavia and Israel, in particular—which are also putting their faith in peaceful co-existence. But clearly a realistic foreign policy is based on good relations with China, and these have recently been cemented by Chou En-lai's visit to Burma in July and her visit to China in December 1954.

In getting to know the nations of the world, Burma's ambassador is U Nu. This mild, unassuming, friendly, unassuming man, who will chat easily with a village crone or a schoolboy, a Naga headhunter, can also speak as an equal to the leaders of the world. He has established personal relationships with Chou En-lai, and Tito; and he commands their respect. His steadfast courage has played a large part in bringing Burma through the last eight years of civil war. He is one of the few Burmese leaders in whom the other races, and especially the oppressed Karens, have faith: he is utterly without racial prejudice and a genuine believer in the 'Union' ideal. U Nu personifies the Buddhist belief of Burma, a steadfast absorption in spiritual values and a rejection of materialism and its Communist ends. With his high moral authority, U Nu can, if he chooses, go on to give the world a lead in finding peace today in Asia.

\*

## Notes of the Month

### *Malta at Westminster?*

IN addition to the immediate task of solving the constitutional problem in Malta, the Round Table Conference will have to consider precedent, both as to the past and the future. To achieve colonial self-government by admitting colonial representatives to the British Parliament is no new idea. The proposal was often brought forward as a solution of the imperial problem before and after the American Revolution, and just a hundred years ago there was a lively correspondence in the *Spectator* (June-July 1854) on the wisdom of bringing Canadian members to Westminster as an alternative to confederating Canada. Much earlier than that, there was a member for Calais in the Parliaments of Henry VIII.

Ulster is hardly a precedent since there had been Ulster members before the partition of Ireland; in that case the novelty was the setting up of a provincial government with more than municipal powers. The Channel Islands and the Isle of Man are hardly precedents for the alternative plan of bringing Malta under the Home Office, since both have ancient Constitutions—still active though older than the House of Commons. Malta, with a population of 315,000, differs from these in being the home of a small and ancient nation which now has no indigenous Constitution and no means of maintaining its economy apart from the British connection. The newly issued report on *The Economic Problems of Malta* by Thomas Balogh and Dudley Seers (sponsored by the Malta Government) squarely puts the responsibility for Malta's welfare on British shoulders. Malta has become a British dockyard town and is entitled to the same consideration as Chatham or Devonport, a strong argument for integration with the United Kingdom. It should be noted, however, that the Report contains a sharp warning against precipitate action. A sudden rise in dockyard wages without a cautiously planned scheme of development would cause inflation, to the detriment of the Maltese in general.



Supposing that the constitutional and administrative difficulties can be overcome, and supposing that three Maltese members take their seats in the House of Commons, it will make a new precedent which will be watched with interest in other territories. There is not much likelihood that any of the larger colonies will sacrifice their hard-won measure of self-government to forge closer constitutional links with Whitehall. For more than two centuries the drive to free themselves from remote control has prevailed, and it is more strongly held than ever throughout the colonies. The historical interest of the Maltese case is that, for the first time, the contrary tendency has appeared, and solely because Malta is not, and is not likely to become, a viable State.

As the centrifugal process continues, as colonies become self-governing Commonwealth members, we can now begin to foresee a distant goal when the Colonial Office may be left in charge of a network of strategic posts, communications centres, and island-colonies that cannot pay their way. To admit them all to participation in the Imperial Parliament would raise some pretty problems in politics. But not one of them can put up so good a claim as Malta except, perhaps, Gibraltar, and Gibraltar has a civil population of 24,000, much less than the smallest English constituency.

### *Communist Pretensions in Laos*

THE Armistice Agreements for Cambodia, Laos, and Vietnam were signed on 20 July 1954 in Geneva and the Final Declaration of the Geneva Conference was signed on 21 July 1954. The Agreements and the Declaration were drawn up in haste and are, in some places, obscure.

According to Article 14 of the Armistice Agreement for Laos the Laotian units amongst the Communist forces were to be moved 'into the provinces of Phong Saly and Sam Neua' and were to 'be free to move between these two provinces in a corridor along the frontier between Laos and Vietnam'. This has been claimed by the Communist-organized 'Pathet Lao' group to be designed to give them complete control of the two provinces, a claim which the Government of Laos cannot accept. In consequence, the International Commission for Supervision and Control in Laos, consisting of representatives of India (in the chair), Canada, and Poland, has been bombarded with complaints, coming from both parties, of hostile activities by the other in the two provinces.

the past year efforts have been made to reach a political settlement between the Government and the 'Pathet Lao' group. A number of meetings have been held between the two. The reason for the lack of any final agreement has been the pretension of the 'Pathet Lao' group. In essence the group has endeavored to establish itself as the equal of the Government. It demanded the establishment of a Political Consultative Commission to 'organize free general elections', and to 'settle all disputes in the localities in the country', which should act independently of the Government. It has issued pronouncements on 'the policy of the Pathet Lao forces'. It has also demanded that the Government withdraw all its troops from Sam Neua and other provinces and has resisted the provincial governments in those provinces.

There is no real warrant for these pretensions in the Geneva Declaration. The Geneva Declaration deals with the future internal affairs of Laos by taking note, in Paragraph 3, of a Declaration issued on 21 July 1954 by the Government. In this it declared its intention 'to take the necessary measures to integrate all without discrimination, into the national community and to guarantee them the enjoyment of the rights and freedoms which the Constitution of the Kingdom provides', affirmed that 'Laotian citizens may freely participate as electors or candidates in general elections by secret ballot', and announced that it would promulgate measures to provide for special representation for the Royal Administration of the provinces of Phong Saly and Neua, during the interval between the cessation of hostilities and the general elections, of the interests of Laotians who did not support the Royal forces during hostilities'. The International Commission has been very cautious about its view on this subject but it is perhaps a measure of the exaggerated nature of the 'Pathet Lao' group's claims that on 10 June the Commission sent a letter, signed by all its members, to the Government which said, *inter alia*, that 'the right of the Government to the actual administration of the two provinces may be deduced from the recognition by the Geneva Declaration of the unity of Laos and the sovereignty of the Royal Government over the entire country'. It may be that this letter will induce the 'Pathet Lao' group to abate its pretensions somewhat, but the record of the past year does not encourage hope in this

# *Yugoslavia between Independence and Orthodoxy*

## *Reflections on the Soviet Visit to Belgrade*

THE visit to Belgrade of a high-level Soviet delegation, which took place from 27 May to 2 June and ended in the signing of a joint Soviet-Yugoslav declaration, had one strictly diplomatic and one party-ideological aspect. On the diplomatic side—the only one emphasized in all Yugoslav comments—it was the crowning conclusion of two years of efforts to ‘normalize’ relations between the two States. The Yugoslav leaders welcomed the chance it offered them to reaffirm their independence from both power blocs in world politics, and to use their increased freedom of manoeuvre for a policy of ‘active coexistence’, i.e. of mediation and deliberate loosening-up of the blocs, on the Indian model. But on the ideological side, emphasized by the Russians both in making Mr Khrushchev, the first secretary of the Soviet Communist Party, the official leader of the delegation, and in Mr Khrushchev’s opening speech at Belgrade airport, it was the occasion for a Soviet attempt to make the Yugoslav Communists rejoin the Soviet bloc, even though with a more independent status than in the past, on a basis of ideological solidarity. Despite the marked rejection of these overtures by the Yugoslav leaders, this has naturally given rise to questioning in the West as to whether there is in fact a tendency for the ideological differences between the two types of Communist regimes to disappear thanks to the new flexibility of the Soviet leaders, and whether there are forces within present Yugoslav society, and in particular within the Yugoslav Communist League, on which the Soviets could rely in further pursuing the attempt.

### AN ‘ORTHODOX REVIVAL’?

Those observers in the West who believe that the Yugoslav Communists are preparing to ‘return to the fold’ sometimes claim that the decision was made at the turn of 1953–4 in the controversy caused by the attacks of former Vice-President Milovan Djilas on the political monopoly of a disciplined, centralist party of the Leninist type. It is alleged that the majority, and in particular the party’s leading theoretical spokesman, Vice-President Edward Kardelj, had already then made up their minds in favour of an

ideological reconciliation with Soviet Communism in view of the post-Stalinist reforms in Russia, and that Djilas made his attack on the principle of the one-party State in order to bar the way to such a development. There is, however, not a shred of evidence, either in Djilas's own articles or in the fully published debates of the Central Committee meeting of January 1954 which condemned his views, that the issue of resuming fraternal relations with the Russian Communists was raised at all at that time; what is more, this interpretation has not only been denied by Kardelj, but has not been given the slightest backing by Djilas and by his friend Vladimir Dedijer, the former head of the Yugoslav Communists' International Affairs Commission, either in their public press interviews or even in their confidential talks with Western and Asian Socialists. The only 'source' which has consistently supported such an interpretation has been Soviet propaganda.

Yet while it is not true that the Djilas controversy turned on relations with the Russian Communists, it did create a climate of orthodoxy which indirectly seemed to favour Soviet efforts in this direction, and certainly appeared in this light to the Russian leaders themselves. From the summer of 1950, when Tito, two years after his expulsion from the Cominform, embarked on his first major innovation by creating a new type of 'workers' self-government' in the factories, to the dissolution of the bulk of the collective farms and the decentralization of investment in the spring and summer of 1953, Yugoslavia was a country of experiment, where Communist doctrine was constantly modified and adapted in an effort to give more scope for initiative from below. With Djilas's open attack on Leninist party discipline as the fundamental obstacle to true self-government this era of reform reached for the time being its limit, and there followed a period of general stagnation and tightening of reins. For the first time, the hierarchy of the ruling party felt that further reforms would endanger the basis of its power. Since abandoning Stalinism, the Yugoslav Communists had gradually come to adopt also a less doctrinaire attitude to the teachings of Lenin, regarding them as adapted to the conditions of particular countries and periods rather than as laying down the only true road to socialism; now, Leninist 'orthodoxy' was reaffirmed all over the country and a minor witch-hunt started not only against Djilas's personal friends, but against 'ideological deviators' in general. During 1954 a number of party functionaries were summoned before control

commissions; a few journalists lost their jobs; one member of the Croat Central Committee took his own life.

The Western world first learnt of these events in December when Dedijer reacted to such a summons by denying the competence of the Control Commission and making his protest in an interview with *The Times* (23 December), which Djilas followed up by a statement to the *New York Times*, and the Public Prosecutor took action against them. Up to then there had been no police or court action against any of the deviators. Even these two remained at liberty during the investigation trial and left the courtroom again as free men, having been sentenced—to six months imprisonment each—on probation. But the fact of the prosecution itself made the change of attitude obvious.

The potential significance of this 'purge' for the international orientation of Yugoslav Communism lay in the fact that it came at a time when anti-American resentment and hopes of a change in the character of the Russian regime were on the increase, not only in Yugoslavia but in Western Europe as well, and that the 'deviators' had been largely concerned with developing contacts between the Yugoslav Communists and the democratic Socialist movements of Asia and the West. Conversely, some of the exponents of Leninist orthodoxy in the middle ranks of the party, men like the Belgrade party chief Minić, the Federal Minister of Enlightenment Čolaković, the Slovene philosopher of dialectical materialism Žihnerl—had never hidden their misgivings about relations with 'opportunists' and 'reformists'. Diplomatic relations with capitalist States were in order, but Lenin had taught that Social Democratic leaders had betrayed the working class. Ideological contacts with these leaders could only have had a disruptive influence on Communists. Now they could point to the deviations of Djilas and Dedijer as proof. The reaffirmation of orthodoxy at home, they felt, must become the starting point for returning also to a Leninist view of the Social Democrats.

None of the exponents of this orthodox revival had any intention of surrendering to Soviet pressure or returning to Cominform; they were as firmly convinced as Tito himself that Yugoslavia had been right in the 1948 quarrel, and that it had since evolved a type of socialism that was superior to the 'bureaucratic State capitalism' of the Soviet Union. Nevertheless the current had carried the day, the consequences for Y

independence would have been extremely serious. For once the party was again committed to the doctrine that Lenin had outlined the only possible road to socialism and that all efforts to advance the development of society by democratic reforms were illusion and betrayal, it followed that in the present phase of history the struggle between progress and reaction was bound to resolve itself into an alignment of 'the Communists versus the Rest'. Once that view was accepted, it would only need a little tactical flexibility on the part of the Kremlin to bring Yugoslavia back into the Soviet bloc. It seems indeed that the evidence of the growing strength of this current during 1954 was the basis of Mr Khrushchev's calculation.

Yet months before the arrival of the Soviet delegation, counter-action had already been taken by the responsible leaders of the Yugoslav Government and the Yugoslav Communist League. In contrast to the middle ranks of the party hierarchy, these leaders have long outgrown the schematic Leninist picture of the world; forced by Stalin's attempt at isolating them to make their own contacts, they have in the course of the last seven years gained a wide and varied experience of the non-Communist world, and have learnt that social progress takes different forms in different conditions. Moreover, while hopeful that post-Stalinist Russia may gradually come to change not only in its attitude to Yugoslavia, but even in its internal regime, they are not prepared to gamble their dearly-won independence on that prospect; and they are fully aware that a return to Leninist orthodoxy in international affairs is incompatible with maintaining that independence. In the autumn of 1954 Edward Kardelj went on a series of visits to some of the major Social Democrat parties of Western and Northern Europe, and in a remarkable lecture at Oslo in October restated the Yugoslav reasons for wishing to retain friendly relations with democratic labour movements in the West while sticking to their own revolutionary regime at home. The doctrinal quarrel between revolutionary and reformist socialism was out of date, he said; experience had proved beyond doubt that real advances towards socialism could be made by traditional parliamentary methods of reform in advanced industrial countries, but also that revolutionary methods had proved equally successful in underdeveloped countries without parliamentary traditions. The greatest obstacle to progress was the claim to exclusiveness for any one method. The implication was, of course, that Western Social Democrats

should not press for a parliamentary multi-party Western lines in Yugoslavia, and should not be alarmed at the rejection of Djilas's ideas; in return, the Yugoslavs must continue to recognize the Western Socialists' successes on their own ground, to reject doctrinaire Communist criticism of them, and to learn from them in many practical matters.

This speech, originally made abroad and for foreign consumption, was suddenly published in full by *Borba*, the Communist daily, at the beginning of January this year, at a time of the Djilas-Dedijer trial, when the 'orthodox revival' judged by the leaders to have reached dangerous proportions. It has since been issued as a pamphlet and has formed the basis of a number of similar speeches made by Kardelj all over the country to party audiences. Helped by the shock which the fall of the regime caused at the beginning of February, this campaign succeeded, in time before the Soviet visit, in reducing to zero the inner-party current on which Khrushchev had been hoping. Among the younger elements in the party, the intellectuals and technicians with their wider horizon, and the non-Communist population, the 'orthodox revival' never had any support.

#### TWO CONCEPTS OF THE MEETING

There has been no official statement from either side whether high-level talks between Soviet and Yugoslav delegations were first proposed. The indications are that the question was raised by the Soviet Government in October or November, after the return of Khrushchev from Peking, and that a visit by Tito to Moscow was suggested; simultaneously, discussions between the parties to bridge ideological differences seem to have been proposed for the same time. The whole subject was discussed before Tito's visit for India and Burma at a meeting of the Central Committee of the Yugoslav Communist League, about whose agenda anything was published. But it may be assumed that they approved the reply that high-level talks should first take place on Yugoslav soil, and only if the Russians were ready to express public regret for their slanders and actions against the Tito regime; it is certain that such a reply was sent. On the subject of party contacts, Yugoslav party spokesmen stated immediately after that session that Yugoslavia had, owing to her history and forms, a social system different from that of Russia, a

consequence the only possible relations between them were those desirable between States with different social systems—in other words, coexistence rather than fraternal solidarity.

During the winter months, negotiations proceeded between the Soviet Government and the Yugoslav Embassy in Moscow on the basis of these instructions, in an atmosphere characterized by the Soviet leaders' toast to 'Comrade Tito' on the eve of Yugoslav National Day (28 November), but also by President Tito's public rebuke (on 7 March) of Molotov's speech of 9 February and by its publication in *Pravda*. In the course of these negotiations the Soviets accepted both the visit to Belgrade and the principle of a public apology, but did not renounce their desire for party discussions, although the Yugoslavs had clearly indicated their reluctance. At the spring session of the Yugoslav Central Committee, when the visit had already been agreed in principle, the Yugoslav leaders had to face the possibility that party issues would be raised by the Soviets. Once again nothing was published about discussions or decisions, but it appears from subsequent private statements by leaders that at this time the Yugoslav leaders began to envisage the alternative to a simple refusal to discuss ideological questions which they later actually followed—i.e., that they would counter a Russian request for the resumption of fraternal relations by a demand that the Russians should recognize the right of each nation to choose its own road to socialism. This formula was and is interpreted as covering not only the difference between the Soviet and Yugoslav brands of Communism, but also the 'reformist' road of Western labour, on the lines of Kardelj's Oslo speech, thus justifying the Yugoslavs in refusing any exclusive relationship with the Communist camp.

On 14 May a communiqué announced that the two Governments had agreed to arrange a meeting 'at the highest level', inspired by their common desire 'for a further improvement of relations between both countries and for the consolidation of peace'. Mr Molotov, who had been directly involved in the conflict of 1948, was omitted from the Soviet delegation. The Russian intention to raise party issues was indicated by the fact that Mr Khrushchev was to lead the delegation, and that he and Mr Shepilov, the editor of *Pravda*, were listed with their important party functions as well as with their formal positions in the Supreme Soviet, but there was no direct reference to party or ideological matters. In a speech delivered on the following day at



Pola, President Tito expressed the wish that Yugoslavia's relations with all countries in East and West should be similar, and reaffirmed that 'we shall not join any bloc'. One day the responsible statesmen would come to realize that 'one must conduct a different kind of policy . . . not a policy of ideologically dividing the world into blocs, but that one must find a different way, the way we have always preached, the way of co-operation, of active coexistence between peoples and States, without regard to the differences in their political and generally their internal systems'.

On 18 May an editorial in *Pravda* introduced an altogether different aspect. It reassured the Yugoslavs that the restoration of normal relations with the Soviet union 'in no way implies, and cannot imply, a deterioration of Yugoslavia's relations with other countries', and repeated Soviet willingness to improve relations with Yugoslavia 'along the lines of State policy' as part of a general policy of 'peaceful coexistence'. But it put the final emphasis on ideological matters: 'Of course, it cannot be denied that there are substantial differences in the understanding of a number of important questions of social development. But the fact that public ownership of the basic means of production predominates in Yugoslavia; that the principal classes in Yugoslavia are the working class and the working peasantry who have militant revolutionary and patriotic traditions; that there is an age-old, profound community of ideas and culture between the peoples of the U.S.S.R. and Yugoslavia; that the working people of both countries have common vital interests, the interests of the international working-class movement, the community of the ultimate goals of the working class—all this shows that there is a firm basis for wide and all-round co-operation between the Soviet and Yugoslav peoples.'

The following nine days until the opening of the Belgrade talks brought from the Yugoslav side chiefly assurances to the West that the meeting would cause no change in Yugoslav foreign policy in general and in the operation of the Balkan Pact with Greece and Turkey in particular. There was no response whatever to *Pravda's* appeal for Communist solidarity. Yet it was again on this note that Khrushchev opened when he stepped on to Yugoslav soil on 26 May.

#### THE BELGRADE DAYS

Mr Khrushchev's speech at Zemun airport contained two surprises—not only for the Western outsider, but for his hosts. One

was not the fact of his apology, but its sweeping nature, coupled with the clumsy attempt to put all the blame on 'the enemies of the people, Beria, Abakumov, and others who have been unmasked'. It would have been possible for him to state that the original quarrel was a genuine difference of opinion in which each side was entitled to its view, and to apologize only because a necessary parting of the ways had been embittered with accusations of 'fascism' and 'betrayal' and with measures of boycott and violence; that is the explanation now offered by Western Communist leaders—e.g. M. Etienne Fajon, secretary of the Central Committee of the French Communist Party—who pretend that the original Cominform resolution expelling Tito for 'nationalist deviations' was politically correct and that only the later anti-Titoist witch-hunt was the work of Beria. But that is not what Khrushchev said: he wished to pretend that there were no serious differences at all, and therefore he blamed the entire quarrel, without any qualification, on Beria's machinations. 'Later these good relations were destroyed. We sincerely regret what happened and resolutely reject the things that occurred, one after the other, during that period.'

The second surprise, which explained the first, was the immediate and public appeal for the resumption of full party relations on the basis of Marxism-Leninism. 'As representatives of the Communist Party of the Soviet Union, the party created by the great Lenin, we consider it desirable to have mutual confidence established between our parties. The strongest ties are created among the peoples of those countries where the leading forces are parties which base their activities on the teachings of Marxism-Leninism. Parties governed by the teachings of Marxism-Leninism achieve complete mutual understanding because the struggle for the interests of the working class, the working peasantry, for the interests of the working people is their only aim. . . We would not be doing our duty to our peoples and to the working people of the whole world if we did not do everything possible to establish mutual understanding between the Communist Party of the Soviet Union and the Yugoslav Communist League, on the basis of the teachings of Marxism-Leninism.'

The stony silence in which President Tito received this speech was reflected in the complete absence of comment in the Yugoslav papers on the following day. Senior Yugoslav officials talked of a 'provocation', while the Belgrade public, both inside and out-

side the Communist League, cracked jokes about the attempt to 'explain' the Soviet-Yugoslav quarrel by the machinations of Beria. An indirect but drastic comment appeared, however, in *Borba* on the second day (28 May). It expressed Yugoslav approval of a number of specified passages in Khrushchev's speech, dealing with the need to reduce international tension, the improvement of Soviet-Yugoslav 'inter-State relations' (an expression repeated in almost every paragraph), and the need for co-operation between nations on a basis of democratic equality, non-interference, and mutual respect. But it pointedly omitted both the appeal for party contacts and the strange apology. Moreover, it put the need for 'further improvement of Soviet-Yugoslav inter-State relations' into a framework of Yugoslavia's 'very close relations' with such countries as India and Burma, her 'good relations' with the Western Powers, and her 'relations of alliance' with Greece and Turkey; and it concluded with another solemn condemnation of 'the partition of the world into ideological blocs', which was 'not the path which leads to peace'. The 'active coexistence' advocated by the Yugoslavs was 'not coexistence in the sense of some sort of a temporary truce between two hostile blocs, created by an ideological division', but 'the active co-operation of all countries regardless of differences in their internal systems'.

It appears that this difference between the Soviet concept of coexistence between hostile ideological blocs and the Yugoslav concept of coexistence between individual States without regard to ideology proved one of the principal subjects of dispute in the official meetings of the two delegations; it persisted to the very end, when the Yugoslavs, unable to get the Russians to sign a condemnation of 'ideological blocs', accepted an ambiguous phrase against 'military blocs' in the joint declaration, but on the very morning of the signing day published once more editorials sharply condemning both the idea of ideological blocs and the concept of an ultimately inevitable war between them, as incompatible with a sincere and consistent struggle for peace. 'It is apparent that the concept of the division of the world into two ideological blocs starts from the inevitability of the ultimate conflict between these two blocs. Therefore those who start from such a point of view do not accept the possibility of a full and permanent world peace, but only the possibility of postponing the ultimate conflict. Willy-nilly, such concepts must inevitably be re-

in practical policy, even in well-intentioned efforts to solve national problems; hence these efforts cannot achieve satisfactory results. . . . Those who consistently work for the preservation of world peace must approach this task with the deep conviction that peace can be preserved not only temporarily, but permanently. They must be convinced that a world armed conflict, when it came, would represent a general catastrophe for mankind and that, accordingly, it is not enough to prevent it today, but that one must endeavour to prevent it for ever.' (2 June 1955.)

The stated Yugoslav thesis in the discussions, defended in the title, was that 'it is quite wrong to believe that the progress of the world depends on the expansion of this or that ideological system. That wrong belief, however, is the essential basis for the tension between the Soviet Union and all other Communist parties and states; and it appears that Khrushchev sought to affirm it, from the start, by attacking the Yugoslav view about the proper role of 'reformist' socialism and trade unionism in the West, as incompatible with 'Marxism-Leninism'. According to official statements from Yugoslav sources, the attack was launched by President Tito himself—not in terms of 'Marxism-Leninism', but in terms of some of the facts of life about the West which Khrushchev had proved himself woefully ignorant. It was that discussion that the fate of Khrushchev's bid for an expanded party relationship was finally decided. Its outcome is laid out in two passages in the joint declaration. On the one side, the two Governments have agreed to assist and facilitate cooperation among the social organizations of the two countries in the establishing of contacts, the exchange of socialist experiences, and a free exchange of opinions'; on the other, they agree that 'questions of internal organization, of different political systems and of different forms of socialist development are the concern of the individual countries'. Together, this meant that the barriers created in recent years both against Soviet influence in Yugoslavia and against Yugoslav influence in the other countries will fall; that mutual criticism will be limited by the 1955 ideological non-aggression pact, each side granting to the other that it may be 'socialist' in its own way; that contacts between social organizations' on this basis will eventually come to include contact between the Communist parties; but that this will be non-exclusive, because the Yugoslavs intend to

preserve and to develop also their contact with democratic socialist parties pursuing the goal of socialism in a different way—and present indications are that this contact will remain closer than any revived contact with the Soviet Communists.

#### THE TUG-OF-WAR CONTINUES

Mr Khrushchev's professed aim in coming to Belgrade as a party leader was to regain Yugoslavia for the Soviet bloc by restoring exclusive party relations on a basis of Marxism-Leninism. To achieve this, he was prepared not only to apologize for the insults and injuries heaped by Stalin on the Yugoslav regime, but even to concede the Yugoslav position in the original quarrel—the claim for a status of national independence and equality *within* the Communist camp. In 1948 that claim by the Yugoslav leaders, who felt that theirs was the only successful Communist revolution in Europe, had come up against the Stalinist doctrine of 'the leading role of the Soviet Union'; in 1955, Stalin's heirs were prepared to concede the claim, silently abandoning the 'leading role' dogma and offering to Tito the position of a minor European Mao.

The outcome of the Belgrade talks means that this unprecedented offer, which would have greatly flattered the Yugoslav Communist leaders as late as five years ago, has been rejected by them. For in the meantime, they have gained not 'independence' *within* the Communist camp, but independence *from* either camp, and they are determined to preserve it. The Asian analogy that nowadays appeals to President Tito's ambition is not the role of a minor Mao, but that of a minor Nehru. The Soviet delegation has therefore had to be content with those purely diplomatic results which it could have gained at a lesser price, and probably with less definite results even in that field than might have been obtained if the party bid had never been made. It was therefore appropriate that the final declaration was not signed by Khrushchev, the leader of the delegation, but by Bulganin, the head of the Soviet Government.

In Mr Khrushchev's report to the satellite leaders and in the official comments of the Soviet press the Belgrade declaration is nevertheless claimed as a great success, not only from the viewpoint of the diplomatic coexistence campaign, but also as having 'enormous significance for the international working class movement as a whole' (*Pravda*, 3 June 1955). The underlying hope

seems to be that the liquidation of the conflict and the resumption of contact will start a process inside the Yugoslav Communist League by which the leaders will gradually be forced to return to a policy of Communist solidarity, even if this is not their intention. At the same time it is evident that the Yugoslav leaders hope that the breaking down of barriers will start a process of change in some of all of the satellite States, particularly if the progress of the international détente should eventually lead to a withdrawal of the Soviet army from satellite Europe. Under cover of the pact of ideological non-aggression (it would be too much to call it a pact of 'friendship', an expression still carefully reserved in the Yugoslav press for 'non-aligned' countries like India and Burma), there thus opening a polite ideological tug-of-war between the Soviet and Yugoslav types of Communism—a tug-of-war whose instruments will no longer be hostile broadcasts and underground leaflets, but information offices, exhibitions, and delegations of trade unions and cultural organizations.

In judging Russia's prospects in this, it should be noted that the Belgrade meeting has so far entirely failed to revive the inner-party desire for a return to orthodoxy within Yugoslavia which only six months ago seemed so promising from a Soviet point of view. Apart from the effect of the counter-campaign of the Yugoslav leaders, the principal reason for this is the impression left by the Soviet delegation itself. While the Yugoslav Communists are proud of their internal reforms and innovations since the war, many of them have been hardly conscious of what is possibly a more important change—the gradual adaptation of their views concerning the outside world, and of their manner of looking at it, under the impact of independent experience. To some extent, this change has affected even the most doctrinaire among them; and the first encounter with the Soviet leaders after seven years has suddenly made them aware of the mental gulf that different experience has created between them in the meantime. Every discussion among the delegations, but also every banquet and every visit to a Yugoslav factory, produced examples of the changed and unrealistic outlook of the Soviet leaders which shocked the Yugoslavs, and which immediately became as many anecdotes that spread like wildfire among officials and party members throughout the country. The very men who had usually been wondering what they might be losing intellectually by being cut off from an international community of Marxist-Leninist

discussion were most thoroughly shocked to discover that the Russians were still living in a mental prison from which the Yugoslavs had long escaped, and were only just beginning to open a window.

In this, the Yugoslav Communists merely reflect in a peculiar form the development of the society they rule—a society that for a number of years now has been increasingly open to the influx of uncensored knowledge and to the influence of Western ideas. Whether in the reporting of news or in the translation of contemporary literature and the showing of films, the Yugoslavs have gone on to living in intellectual communion with the free world. The immunization against a return to a prescribed artificial picture of the world which this has provided is no less powerful for being in many cases unconscious; and it is likely to prove a formidable secret weapon in the tug-of-war which Mr Krushchev has started

R. L.

## *Disarmament: Proposals and Negotiations, 1946-1955*

NOT since 1946 has there been a more hopeful outlook for the discussion of the problem of disarmament. In that year, in the optimistic mood of the immediate post-war world, the great Powers were agreed on the basic principles for the elimination of atomic weapons and for general disarmament. In two unanimous resolutions the U.N. General Assembly on 24 January 1946 established an Atomic Energy Commission to deal with the problems created by the discovery of atomic energy and atomic weapons and on 14 December 1946 laid down the principles governing the general regulation and reduction of armaments. Following on the latter resolution, the Security Council, on 13 February 1947 established the Commission for Conventional Armaments to work out the practical disarmament measures for armed forces and non-atomic armaments.

<sup>1</sup> This article was written before the opening of the four-Power talks at Geneva, which will be dealt with in the next issue.

During 1947, which saw the disintegration of the war-time alliance of the great Powers, it soon became apparent that the Western Powers and the Soviet Union were also in basic disagreement on the substance of disarmament. Despite strong Soviet opposition, the General Assembly in 1948 approved a plan (known as the United Nations Plan or the 'Baruch Plan'), which was based on proposals originally submitted by Mr Bernard Baruch, the American representative, to establish an international agency which would own and operate all atomic energy facilities and materials. In 1949 the General Assembly also adopted Western proposals for a census of armed forces and armaments (excluding atomic weapons) as a first step towards a system of disarmament. The Soviet Union, in opposing these plans, put forward its own proposals calling for the unconditional prohibition of all atomic weapons, a one-third reduction of armed forces and armaments by the great Powers within one year, and 'effective' international control.

The disagreement between the great Powers on disarmament was but another aspect of their basic and growing disagreement in practically all political matters. As the 'cold war' deepened, so did the deadlock on disarmament.

#### THE DISARMAMENT COMMISSION

In January 1952, following on a suggestion originally made by President Truman in the United Nations to merge the two commissions as a possible way out of the impasse, the General Assembly adopted a resolution establishing the Disarmament Commission to carry forward the tasks previously assigned to the Atomic Energy Commission and the Commission for Conventional Armaments. This new commission was to have the same membership as the Security Council, plus Canada. The Soviet Union, while agreeing with the establishment of the new, unified commission, opposed its terms of reference, which were largely based on the Western plans previously approved by the Assembly.

During 1952 the United States put forward in the Disarmament Commission a plan for disclosure and verification of all armed forces and all armaments, including atomic, as a first step towards disarmament. The process of disclosure and verification was to take place in five stages, proceeding from the less secret to the more secret weapons, and was to be completed within two years. The Soviet Union rejected the plan as an American scheme



designed to obtain intelligence information about strength of the U.S.S.R. which offered no assurance that measures of disarmament would ever be undertaken.

France, Britain, and the United States also jointly proposed numerical ceilings be established for all armed forces between 1,000,000 and 1,500,000 for China, the U.S. and the United States, and between 700,000 and 800,000 for France, with a consequent reduction in armaments. The great Powers would reduce their armed forces to these levels immediately after the completion of the disclosure and verification process, and ceilings would be similarly established for other countries.

For its part, the Soviet Union in the Disarmament Conference adhered to its previous proposals. It called for the prohibition of atomic and other weapons of mass destruction, but with the proviso that effective international control was to 'be established simultaneously' therewith, and repeated its call for a reduction in the armaments of the great Powers within five years. The U.S.S.R. would not, however, give any elaboration of the precise working of its proposals. A new matter raised was a proposal to consider violations of the prohibition of chemical warfare, and for the ratification by the countries that had done so (in particular the United States) of the Geneva Convention of 1925 banning chemical and bacterial warfare.

The Western Powers maintained that the Soviet failure to insist on simultaneity in the institution of prohibition and control amounted to a prior paper prohibition without any control, and that prohibition was an instantaneous act, whereas the establishment of an international control system was a lengthy and complicated process. In respect to the proposal for the one-third reduction of land and armed forces, they argued that this would merely reduce the imbalance, and, in fact, intensify the existing unbalance in armed forces because of the large preponderance of Soviet manpower. As the U.S.S.R. refused to divulge in advance the number of its armed forces, the result of a one-third reduction could not be ascertained.

On the other hand, the Soviet Union argued that the great Powers did not really want the prohibition of nuclear war, and that their proposed levels of armed forces did not take into account either the large number of Western military bases along the borders of the Soviet Union or the Western military alliance as embodied in N.A.T.O.

Underneath the surface of the formal proposals and the

criticisms of them, each side accused the other of wanting to disarm it in the field where it was strongest. The Western plan involved the following sequence: first, the establishment of control; secondly, the reduction of conventional armaments and armed forces; and thirdly, the prohibition of nuclear weapons. The Soviet Union claimed that this sequence would give the West access to all Soviet secrets, both military and economic, before any measure of disarmament took place; furthermore, it would reduce Soviet armed forces and conventional armaments while permitting the existence of nuclear weapons, in which the West regarded itself as having an advantage, until some remote and indefinite final stage which might never be reached.

On the other hand, the effect of the Soviet plans for disarmament was to create the exact reverse sequence: first, prohibition; second, reduction; and third, control. The Western Powers claimed that this time-table of disarmament was designed to strip them of nuclear weapons, which they regarded as their main defence or deterrent against the possibility of aggression, while preserving the Soviet preponderance in armed forces and conventional armaments; moreover, neither measure would be subject to really effective control under the Soviet plan, and no country could be assured that the others were living up to their obligations.

#### SUGGESTIONS IN 1953 TO BREAK THE DEADLOCK

The great debates on which should come first, prohibition, control, or reduction, seemed to have resulted only in another deadlock. However the French representative M. Jules Moch at the 1953 session of the General Assembly proposed a scheme, which he had previously outlined in the Commission, for the synchronization or dovetailing of the various measures of disarmament, so that the stages of disclosure and verification would be inter-linked with parallel stages of reduction in armed forces and armaments and the prohibition and elimination of atomic and other weapons of mass destruction. He also enunciated the principle that the security of each Power must be increased and not jeopardized at each stage of the disarmament programme.

At the same session, the Western Powers also sponsored an idea first suggested by M. Moch and then formally proposed by Mr Krishna Menon, the Indian representative, that the Powers principally involved should meet in private in the various capitals of the world in the hope that the atmosphere of small secret meet-

ings might be more conducive to working out some agree-

A few days later, on 8 December 1953, President Eisenhower made his famous speech in the General Assembly pointing out the horrors of nuclear warfare and suggesting, in an attempt to establish international confidence and reduce tensions, as the first step towards disarmament, the establishment of a national atomic energy agency to promote the peaceful use of atomic energy. In the Soviet reply of 21 December 1953, Eisenhower's proposals, the U.S.S.R. agreed to take part in the talks suggested by the President. It put forward a new proposal examined in the course of the talks, calling for a solemn conditional pledge by States not to use atomic, hydrogen or other weapons of mass destruction, which pledge was to be a step towards achieving the complete elimination of all nuclear

#### THE SUB-COMMITTEE'S FIRST SESSION, 1954

In the early months of 1954 the world was struck by the impact of the hydrogen bombs exploded in the Marsh Islands. The revelation that one H-bomb could destroy a city as far as New York, and the fears aroused by the fall-out of radiation hundreds of miles from the scene of the explosion, sent shock through all mankind. Prime Minister Nehru proposed a moratorium on nuclear test explosions pending agreement on disarmament. In response to the initiative of the British Government, the Disarmament Commission set up a sub-committee of Powers principally the U.S., Canada, France, the U.S.S.R., the U.K., and the U.S.A. to find a solution to the problem in the light of these new developments.

The Sub-Committee convened in London on 13 May 1954. It met in private at Lancaster House until 22 June 1954. Lord Lloyd, representing the British Government, had joined with M. Moch to develop the latter's original suggestion of a synchronization of the various measures of disarmament. In June they submitted a joint Anglo-French memorandum outlining a 'phased' disarmament programme consisting of three phases: first, a 'freeze' or limitation on armed forces and military budgets; secondly, a reduction of conventional armaments of armed forces by one-half of an agreed figure, followed by a prohibition of production of nuclear weapons; and thirdly, a remaining one-half reduction of conventional armaments of armed forces, followed by the complete prohibition and elimination of nuclear and other weapons of mass destruction.

organ was to be constituted and 'positioned' before any part of the disarmament programme began, and it was to report the completion of each stage and its readiness to undertake and to enforce the measures called for before each phase began.

Mr Yakov Malik, representing the Soviet Union, criticized the Anglo-French proposal as constituting merely a variation on previous Western schemes which would provide for disclosure and verification before any actual measures of disarmament, and which still relegated the prohibition of nuclear weapons to the final stage. Mr Norman A. Robertson, the Canadian High Commissioner in London, representing Canada, and Ambassador Morehead Patterson, representing the United States, while not actually accepting the Anglo-French memorandum, indicated their general support.

With respect to the Soviet proposal calling for the unconditional prohibition of the use of atomic weapons as a preliminary step the Western Powers said they could not accept an unsupervised paper prohibition that would disarm them of their main weapons, but agreed to accept some conditional form of prohibition. They proposed that all States possessing nuclear weapons should regard themselves as prohibited from the use of such weapons except in defence against aggression. Mr Malik, in his turn, rejected this conditional prohibition on the ground that it would have the effect of legalizing the use of nuclear weapons, since there was no accepted definition of aggression and there would be nothing to prevent a country waging nuclear warfare on the pretext of defence against aggression. The U.S.S.R.'s remaining proposals were largely a restatement of their former ones, with more emphasis on the abolition of military bases on foreign territories, and the condemnation of war propaganda.

Mr Patterson submitted a working paper on *Methods of Implementing and Enforcing Disarmament Programmes: The Establishment of International Control Organs*. It set forth the proposed powers of the control organ, which included the right of unlimited inspection, including aerial surveys, anywhere and everywhere, and gave the control organ authority in case of violations to close down plants and suspend supplies of nuclear materials. This proposal was also rejected by Mr Malik, who claimed that it would give the control organ and its inspectors power to interfere with the entire economic life and domestic affairs of a country. He also claimed that the enforcement powers of the control organ amounted in effect to the right of punishment

or sanctions which, under the United Nations Charter, served for the Security Council.

Although the Sub-Committee failed to resolve the Anglo-French proposal constituted a significant departure from past Western positions. In effect, it abandoned the concept of closure and verification prior to any disarmament measure and replaced that concept with the idea of the freeze which would have the effect of a 'standstill' in the armaments race. Secondly, the former United Nations or Baruch Plan involving international ownership of atomic energy facilities had been replaced by a programme calling for international supervision and in

#### SOVIET ACCEPTANCE OF THE ANGLO-FRENCH PLAN AS

On 30 September 1954 the late Mr Andrei Vyshinski announced to a surprised General Assembly that the Soviet Union was prepared to consider the Anglo-French plan of 11 June 1954 as a basis for the future disarmament convention. He submitted a Soviet draft resolution which accepted the idea of a three-phase programme of disarmament with the interweaving of reductions, prohibitions, and control. It proposed that 50 per cent of the agreed reductions of conventional armaments and armaments should be carried out in the first phase, before there was prohibition of nuclear weapons, and it no longer insisted on a conditional renunciation of the use of atomic weapons as a preliminary step towards disarmament. It soon became apparent that serious difficulties still remained; the Soviet Union adhered to the idea of a one-third reduction of conventional armaments of land armed forces; concerning control, the U.S.S.R. would insist that the control organ should be established before any disarmament measures began; it favoured a temporary organ for the first phase, without the right to carry out inspection on the spot, and it would not agree that the permanent control organ should have the powers and functions desired by the Western powers. But despite these major points of disagreement, the Soviet reversal on the sequence of disarmament measures was the first real gleam of hope after years of frustration.

On 4 November the General Assembly unanimously adopted a resolution initiated by Mr Paul Martin, the Canadian representative, and co-sponsored by all five members of the Disarmament Committee, restating the basic principles of disarmament and suggesting that the Sub-Committee be reconvened in

effort to seek agreement. The resolution provided in part that:

*The General Assembly. . .*

*Concludes* that a further effort should be made to reach agreement on comprehensive and co-ordinated proposals to be embodied in a draft international disarmament convention providing for:

- (a) The regulation, limitation, and major reduction of all armed forces and all conventional armaments;
- (b) The total prohibition of the use and manufacture of nuclear weapons and weapons of mass destruction of every type, together with the conversion of existing stocks of nuclear weapons for peaceful purposes;
- (c) The establishment of effective international control, through a control organ with rights, powers, and functions adequate to guarantee the effective observance of the agreed reductions of all armaments and armed forces and the prohibition of nuclear and other weapons of mass destruction, and to ensure the use of atomic energy for peaceful purposes only;

The whole programme to be such that no State would have cause to fear that its security was endangered; . . .

At the same session of the General Assembly another unanimous resolution was adopted on the peaceful uses of atomic energy, calling for the establishment of an international atomic energy agency and the convening of an international scientific conference on the peaceful uses of atomic energy.

These two resolutions—the first ones on disarmament or atomic energy to be adopted unanimously since 1946—engendered hopes that agreement on these difficult and important problems was again within the realm of possibility.

#### THE SECOND SESSION OF THE SUB-COMMITTEE IN 1955

The British Government again invited the Disarmament Sub-Committee to meet at Lancaster House in London in 1955. Mr Anthony Nutting, representing the British Government, opened the first meeting on 25 February, and the Sub-Committee held twenty-eight meetings until 18 May, when it suspended in order to consider the situation reached and the progress made. M. Moch again represented France, Mr Norman Robertson and Mr David Johnson represented Canada, Mr Andrei Gromyko and Mr Yakov Malik the U.S.S.R., and Mr Cabot Lodge and Mr James Wadsworth the United States. Although the meetings were again held in private and no report has yet been made by the Sub-Committee, the positions taken by the two sides have become public as a result of a number of press statements and disclosures.

After a somewhat awkward start, both the Western Powers and the U.S.S.R. proceeded to develop their previous positions submitted plans which included new elements for comprehensive phased disarmament programmes.

The Western Powers on 8 March submitted a re-statement of their original Anglo-French proposals of 11 June 1954, with Canada and the United States now formally associated themselves. In addition to several minor concessions, they also agreed to set specific time limits for the phased disarmament programme to be established by a world Disarmament Conference and included in the Disarmament Treaty.

The British and French delegations initiated several compromise suggestions. They revised the old proposal for the establishment of levels for armed forces, again proposing that the ceilings for China, the U.S.S.R., and the United States be fixed at a level between 1,000,000 and 1,500,000 men, but reducing the level for France and the United Kingdom to 650,000 men each; for all other States were to be fixed at considerably lower levels.

M. Moch and Mr Nutting also proposed an important compromise promise in order to achieve a better co-ordination of the reductions in armed forces and conventional armaments with the abolition of nuclear weapons. They proposed that the prohibition of the use of nuclear weapons should occur after 75 per cent reductions had been completed, instead of after 100 per cent. They also proposed that the final 25 per cent of the reductions should come simultaneously with the process of elimination of nuclear weapons, with both processes to end together. Mr Malik's first reaction to both compromise proposals was negative.

For its part, the Soviet Union, on 19 March 1955, submitted a redraft of its original plan of 30 September 1954, with the addition of a provision for a freeze of conventional armaments, armed forces, and military appropriations at the beginning of the disarmament programme. On the question of control, while insisting on a temporary control organ for the first phase and a permanent one for the second phase, it appeared to advance further than before in agreeing that the permanent control organ should have the right to exercise supervision on a permanent basis 'to the extent necessary to ensure implementation of the convention by all States' and that 'the international control organ shall have its own permanent staff of inspectors, having unrestricted access, within the limits of the supervisory fun

they exercise, to all establishments subject to control.' It appeared, however, that as to reduction, the U.S.S.R. still insisted upon a one-third reduction of the armed forces and armaments of the five great Powers. The Western Powers also submitted a proposal setting forth the principles of controls from which it was evident that they favoured a single control organ with powers and functions much broader than those envisaged by the Soviet Union.

#### NEW SOVIET PROPOSALS OF 10 MAY 1955

On 10 May Mr Malik introduced comprehensive new Soviet proposals 'on the reduction of armaments, the prohibition of atomic weapons, and the elimination of the threat of a new war'. These were set out in three draft resolutions to be adopted by the General Assembly—the first, a declaration on the relaxation of international tension and the ending of the 'cold war'; the second, outlining an international disarmament treaty; and the third, outlining the principles of international control.

The proposed declaration covered a wide field of important East-West problems and included the following recommendations: (a) the elimination of war propaganda; (b) the occupation forces in Germany, with the temporary exception of strictly limited contingents, should be withdrawn to their national frontiers, and limited local police forces should be formed in both parts of Germany; (c) the five great Powers should liquidate their foreign military bases; (d) assistance in the peaceful uses of atomic energy should be rendered by the atomic countries to others, free of any demands of a political or military nature; (e) discrimination in international trade should be eliminated; (f) international cultural relations should be extended. Implementation of these measures, the declaration stated, would help to create confidence between States and facilitate the execution of a broad disarmament programme with the necessary international control.

Concerning the disarmament proposals the Soviet Union made important concessions and abandoned some of its long-held and strongly-advocated positions. It also put forward a number of new suggestions and ideas.

As to the timing of the phased programme, the Soviet Union continued to insist that the programme be carried out in two stages, each of one year's duration, but accepted the Anglo-French compromise proposal that the complete prohibition of nuclear and other mass destruction weapons should take place after 75 per



cent of the reduction of armed forces and conventional armaments had been carried out.

With respect to the reduction of conventional armaments and armed forces, the U.S.S.R. abandoned its proposal for a one per cent reduction and accepted the figures for ceiling levels of the 1946 Anglo-French proposal.<sup>1</sup> It also proposed that all foreign military bases be liquidated within the period of the two years.

On the subject of prohibition of nuclear weapons, the U.S.S.R. suggested that one of the first steps in the disarmament programme should be the discontinuance of nuclear test explosions. Unlike the earlier proposal of Prime Minister Nehru, this proposal was not to be a preliminary step towards a disarmament agreement, but an integral part thereof. As to the pledge by the U.S.S.R. not to use nuclear weapons, the U.S.S.R. accepted the Western condition that they should not be used 'except in defence against aggression', but added the proviso 'when so decided by the Security Council'. Although this would make the use of nuclear weapons subject to the Security Council veto provisions, again the pledge was not a preliminary step prior to a disarmament treaty, but an integral part of the programme after agreement had been reached but pending the entry into force of the convention prohibiting nuclear weapons.

In relation to control the U.S.S.R. made some concessions and some novel suggestions. It agreed to the establishment of a permanent control organ. It stated that the production of atomic energy for peaceful purposes could also be used for atomic weapons, and that no system of international control could prevent the clandestine manufacture of nuclear weapons or a successful atomic attack. Accordingly, it proposed that, in order to prevent any surprise attack, the control organ should establish control posts at large ports, at railway junctions, on main motor highways and in aerodromes, to see that there were no dangerous concentrations of military forces and equipment. In addition to this warning system, the control organ would also have the right to demand any necessary information from States and have unhindered access to military budget records. In addition to these provisions, during the second stage of the disarmament programme the control organ would also have the right of permanent intervention with 'unimpeded access at all times, within the limits of their control functions they exercise, to all objects of control'.

<sup>1</sup>See above, p. 342.

Concerning violations of the Disarmament Treaty the U.S.S.R. proposed that the control organ should make recommendations to the Security Council. The Western position is that the control organ should make recommendations to the General Assembly and to the signatory States as well. In addition, the Western Powers' proposal provided that the control organ should itself be able to take interim measures to deal with violations.

The sequence of disarmament measures is shown in a comparative tabulation of the two positions appended below.

#### CONCLUSION

The new Soviet proposals were welcomed by Western spokesmen as constituting an encouraging and important step forward. Reservations have been made in relation to the suggestion that foreign military bases be liquidated, and it seems clear that the Western Powers are not prepared to dismantle their alliances or their bases. Western spokesmen have also stated that, while the Soviet proposals as to control (which the West regards as the crux of the whole disarmament problem) indicated some advance, they are still inadequate. Reservations have been expressed particularly regarding the time of the institution of the control organ and the extent of inspection envisaged under the Soviet system. They have also expressed doubts about the linking of the disarmament problem to other political East-West problems.

At the date of writing, the Western Powers had not replied to the Soviet proposals in detail, nor had the Sub-Committee been reconvened to consider them. On 22 June, at the United Nations commemorative meeting in San Francisco, Mr Molotov indicated that the next move was up to the Western Powers. It was apparent that the problem would be discussed in some manner at the 'summit talks' in Geneva.

It is apparent that some fundamental re-thinking of the Western position is now taking place. On 6 July President Eisenhower stated at a press conference that there were no 'fool-proof' methods of inspection, and that fissionable materials and atomic reactors used for peaceful purposes could rapidly be converted to war purposes. For the first time, too, the question was raised as to whether the United States would be prepared to open all of its factories to unlimited inspection. The President indicated that national studies of the problem of disarmament had not yet been concluded, and that the summit talks in Geneva would not go into

the substance of disarmament but merely into procedures further international study and negotiation.

It is evident that both in the Soviet Union and in the West world the facts of the atomic age have led to a thorough-going re-examination of the fundamental ideas underlying the problem of disarmament and security. It is also evident that this re-examination has led each side to move in the direction of the goal so that there has been a significant narrowing of the gap between them. While it may be too hopeful to expect any early overall agreement, the process of reconciliation is still going on, and perhaps one day, in the not too distant future, lead to the beating of our swords into ploughshares. In this vital and sensitive field which affects the national security of every State and perhaps the very existence of mankind, a small start or agreement, even limited measures of disarmament, would represent very considerable progress.

X. Y. Z.

#### ANNEX

#### COMPARATIVE TABULATION OF THE SEQUENCE OF DISARMAMENT MEASURES

##### WESTERN POWERS

##### *Preliminary Step and the Signature of the Treaty*

1. All States possessing nuclear weapons should regard themselves as prohibited from the use of such weapons except in defence against aggression.

2. The Disarmament Treaty should include an immediate and explicit acceptance of this prohibition by all signatory States pending the total prohibition of nuclear weapons.

*Note:* Time limits for the various measures are to be specified in the Disarmament Treaty, subject to extensions of time, if necessary.

##### *Phase I*

3. The control organ is to be constituted and positioned, and is to report that it is ready to enforce the measures of Phase I.

4. Conventional armaments and over-all military manpower are to be limited to levels of 31 December 1954, and over-all military expenditures to the amount in 1954.

##### U.S.S.R.

##### *First Stage—1956*

*Note.* An International Control Commission is to be instituted by the General Assembly to carry out its all tasks (Query—exact time of establishment?)

1. Within one month, the U.S.S.R., China, the U.K., and France shall furnish full official figures of their armed forces, conventional armaments, and military expenditures.

*Entr'acte*

5. The control organ is to make preparations and report it is ready to enforce the measures of Phase II.

*Phase II*

6. One-half of agreed reductions of conventional armaments and armed forces, and consequent reductions in military expenditures.

7 On completion of (6), the production of nuclear and other weapons of mass destruction shall cease.

*Entr'acte*

8 The control organ is to make preparations and report it is ready to enforce the measures of Phase III

*Phase III*

9 Second half of the agreed reductions of conventional armaments and armed forces, and consequent reductions in military expenditures

10 On completion of (9), (a) the total prohibition and elimination of nuclear weapons and the conversion of nuclear materials to peaceful purposes is to be carried out, (b) the total prohibition and elimination of all other prohibited weapons is to be carried out

*Note.* France and the U K proposed, conditional on the U S S R's agreeing to drastic balanced reductions of conventional armaments and armed forces and to an effective control system, that Phase III be as follows

*Phase III—(French-U K Compromise)*

9 The third quarter of the agreed reductions of conventional armaments and armed forces shall take effect.

10 On completion of (9), the following shall take place simultaneously:

(a) A complete prohibition on the use of nuclear and other weapons of mass destruction shall come into force;

(b) The elimination of these weapons shall begin;

(c) The final quarter of the agreed reductions of conventional armaments and armed forces shall begin

Both (b) and (c) shall be completed within the time limit fixed in the treaty.

All atomic materials shall thereafter be used only for peaceful purposes.

2. Within two months, conventional armaments and armed forces are to be limited to levels of 31 December 1954 and military appropriations to the amount in 1954.

3. One of the first measures shall be an undertaking by States to discontinue tests of nuclear weapons. An International Commission is to supervise this measure.

4. The five Powers shall, within the one year, reduce their armaments and armed forces by 50 per cent of the agreed reductions (the difference between the 1954 level and the agreed ceiling levels), and correspondingly reduce their military appropriations.

5 No later than 30 June 1956, a World Conference of all States is to be convened to determine reductions for other States and to prohibit atomic weapons.

6 Simultaneously with the commencement of (4), States shall assume a solemn obligation not to use nuclear weapons except in defence against aggression when so authorized by the Security Council

7. States possessing foreign military bases shall undertake to liquidate them and agreement shall be reached on those to be liquidated during this stage

*Second Stage—1957*

8 The production of nuclear weapons shall be discontinued, with a corresponding budgetary reduction.

9. The five Powers shall, within one year, reduce their armed forces and armaments by the remaining 50 per cent, with a corresponding budgetary reduction, and other States are to carry out their reductions.

10. After armed forces and conventional armaments have been reduced by 75 per cent of the total reduction, the following shall take place simultaneously.

(a) A complete prohibition on the use of nuclear and other weapons of mass destruction shall come into force;

(b) The elimination and destruction of these weapons shall begin;

(c) The final 25 per  
agreed reduction  
Both (b) and (c) are  
pleted within the tim  
1957.  
All atomic materials  
after be used only f  
purposes.  
11. The liquidation of  
military bases shall be c

#### *Further Reductions*

11. After the completion of the above measures, it was hoped that the armaments and armed forces of the Powers would be further reduced to the levels necessary for internal security and the fulfilment of United Nations Charter obligations.

#### *Further Reductio*

12 After the complet above measures, it was ho armaments and armed fo Powers would be further the levels necessary f security and the fulfilmen Nations Charter obligatio

## *Argentina: The Economic Backgr to Political Enigmas*

THE recent political disturbances in Argentina have b discussed but very little explained. Factual reports are s guarded, and it is difficult at this distance to reach any u clusion: all that can be done is to indicate a few appa portant facts and derive one or two plausible conject them.

The long and complicated history of the relations be Roman Catholic Church and the Argentine Governmer discussed in a forthcoming issue of *The World Today*, follows is no more than an outline of how the situation : be resolving itself after the recent crisis. The tension be seriously felt towards the end of last year and increase during the early months of 1955. The part played by Perón is a little enigmatic: at first he appeared to be stro clerical and personally accused the clergy of subversive It was thought, and seems probable, that he was attacki pally *Acción Católica* (Catholic Action in Argentina) an unrecognized political party the Christian Democrats, ' reputedly gaining adherents among trade union men

therefore threatening to build up an organized opposition to *Peronismo* within General Perón's very own preserves. Legislation that was pushed through Congress at some speed, relating to divorce, prostitution, and the teaching of religion in State schools, seemed to carry the campaign beyond the political sphere, and this idea was confirmed by the more recent act of Congress cancelling all the various tax exemptions that the Church and its subsidiary organizations have enjoyed for many years.

At the Labour Day celebrations on 1 May the secretary-general of the *Confederación General del Trabajo*, Señor Vuletich, demanded the reform of the Constitution, especially as to Article 2, which says: 'The Federal Government supports the Roman Catholic Apostolic Faith.' Somewhat surprisingly, General Perón's reply was guarded: he said, very correctly, that constitutional reforms were a matter for the decision of the people. This remark now has the appearance of being the first indication of the President's retreat from his earlier anti-clerical position. Señor Vuletich subsequently resigned.

The campaign, however, continued—perhaps because it could not easily be stopped—and a group of Peronista Deputies submitted a Bill, subsequently passed, for Congress to authorize general elections for a Constituent Assembly, as is required for all constitutional reforms. When elections have been so authorized they must take place and the Assembly must sit. The virtual inevitability of this raises certain interesting points that will be examined further on.

Under the law as it stands today, relations between the Argentine Government and the Church are conducted through the Foreign Ministry (called in full 'Ministry of Foreign Relations and Worship'), an arrangement presumably based on the idea that relations with the Church in Argentina are, on the Church's side, the concern of the Vatican as represented by the Papal Nuncio in Buenos Aires. During the recent accentuation of bad relations the Executive submitted to Congress a Bill whereby the Government should transfer the handling of Church affairs from the Foreign Ministry to the Home Ministry, the implication of this move being that General Perón would cease to recognize the jurisdiction of the Vatican in Argentine territory and would regard Church affairs as purely a domestic matter.

Up to the time of the crisis the Home Minister was Señor Angel Borlenghi who, before his ministerial appointment some

years ago, was secretary-general of the *Confederación C Trabajo*. He is believed to have anti-clerical sentiment they have not been very much in evidence during the he has been one of the President's closest advisers. General must have relied in many ways on Señor Borlenghi, though a suggestion of an estrangement in the fact that when the was reformed in July 1954 and four of the twenty Ministries converted into State secretariats, Señor Borlenghi was not one of the four of the inner council. It is impossible to know the significance to attach to this point: the inner recesses of personal relations will never be known and it will remain of surmise whether Señor Borlenghi had a great deal to do with the Church-State quarrel. The principal agents in the main aspects of the dispute were, of course, the police, for which the Home Ministry is ultimately responsible, but the significance of this should probably not be exaggerated, even though Borlenghi's resignation has been accepted.

There are two possible explanations for General Perón's seemingly inconsistent behaviour. It is possible that he is accustomed to rely on his advisers and Ministers, he was far along the anti-clerical line and found himself obliged by more powerful influences or by his own convictions to draw and therefore to make scapegoats of Señores Borlenghi and Vuletich; or else he has been playing a much deeper and more complex game in which these two former collaborators were necessary casualties.

The strategy of violent attack followed by conciliation used before, and could conceivably be the prelude to a disestablishment and even dissolution of the Church in Argentina followed no doubt by the appropriation of all Church property. It is possible that it is against the Church as a landowning institution that the campaign is now directed.

A more extreme suggestion that could be put forward is that being out of consonance with the known facts is that General Perón, being a man of sound political and social instincts, will never attempt to banish religion from Argentina; but, as an autocrat, and violently disliking any effective opposition, in any field, he may have evolved the idea of the secularisation of the Church of Argentina. Apart from historical precedent, one or two supporting arguments for this iconoclastic theory

It is fairly clear that General Perón would not welcome

from the Vatican in matters that he regards as purely domestic—which is almost every aspect of the country's existence—and that he does not readily tolerate the formation of an organized opposition by *Acción Católica* in the trade unions; there is also the financial aspect, in which the Church stands in a position that resembles that of the one-time 'oligarchy' or landed plutocracy that *Peronismo* has finally succeeded in eliminating: in the educational field the teaching of religion as done by conscientious priests, nuns, or laymen may not always coincide with Peronista doctrine—it would be surprising if it did—and every autocrat knows that the minds of the country's youth must be won over.

The Constituent Assembly, in which the Peronista Party will no doubt have a substantial majority, could easily reform the Constitution in such a way that the Executive found itself empowered to reorganize the country's religion as a State dependency.

#### THE FORCES REVOLT: A SIDELINE?

The Church-State dispute was obscured in a curiously timely manner by an armed revolt on the part of certain units of the Navy and the Air Force, the details of which have been fully reported in the London press. There is no visible or known connection between this revolt and the Church-State quarrel. It has been suggested that since the revolt occurred not many hours after the Vatican had excommunicated all those who had committed crimes against the Church in Argentina—which supposedly included General Perón himself—the insurgents had the idea that, with the President's prestige severely lowered by excommunication, the whole regime could be overthrown. This supposition does not allow for the important fact that the pronouncement of excommunication was never reported in the Buenos Aires newspapers and was not widely known at the time of the revolt: it is even doubtful whether the insurgents themselves knew of it.

There are features of the revolt that are difficult to explain: its complete pointlessness and ineffectuality—nobody could have seriously supposed that a bombardment of the Government House (*Casa Rosada*—Pink House) could have achieved a change of regime, even if General Perón had been there—; the advance warning of about an hour that an attack was going to take place, during which General Perón went to the Ministry of War a few hundred yards away and certain rudimentary defences were rigged up in the *Casa Rosada*; and, most curious of all, its extraordinary timeliness.



These events are somewhat reminiscent of earlier when, with social or economic affairs becoming difficult overthrow the regime have been discovered, caches of arms and photographed by the police, and a few bombs detonated in Plaza de Mayo. It can be argued that the bestiality of armed bomb innocent civilians walking in the Plaza is beyond reasonably acceptable in any hypothesis, but some should be made for the exuberance and inexpertise of airman out training or equipment, flying in very poor visibility.

The anomalies of the situation are doubtless explained by coincidence, inefficiency, or other negative considerations. Nothing is suggested beyond the need for an explanation of a pointless event occurred at so opportune a moment.

#### THE ECONOMIC BACKGROUND

It can hardly have escaped anybody planning a revolt, more than it would escape a first-year student of social sciences even a successful revolt, the downfall of the regime, and removal of General Perón would not solve any important problem. A summary of the economic and social achievements of Perón during the last ten years is convincing proof that General Perón's successor, however and whenever he may come and who may be, will have no alternative but to continue with the principles of *Peronismo*, even if under other names.

It is not the Argentines who underestimate the depth and permanence of the Peronista revolution: for they can see how it has affected almost every walk of life and, most particularly, the application of *Peronismo* has altered the living standards of the vast majority of the population. It cannot be categorically asserted that under more liberal economic policies a still better result would not have been obtained, but the achievements that are attributed to *Peronismo* are indisputably visible and impressive. It is demonstrable that, contrary to the orthodox doctrine and the prognostications of economic orthodoxes, the principles contained in the slogan 'economic independence' are actually achieving what Perón has always claimed for them.

'Economic independence' now means not economic isolation as it once appeared to mean, but the attainment of a parity of trading equality—a kind of parity in the terms of trade with the Latin American world. General Perón was one of the first to draw attention to the position of inferiority occupied by countries

are producers and exporters of primary goods only, and whose foreign exchange earnings are virtually the sole means of acquiring supplies of manufactured goods—described as a 'colonial' economy. The international prices of primary commodities tend to fluctuate more suddenly and more extensively (when changes are considered percentage-wise) than the prices of manufactured goods, but over long periods there is generally a more consistent over-all increase in the prices of manufactured goods than in those of primary produce. Reduced to a very broad generalization, the terms of trade tend to worsen for countries of the 'colonial' economy class while they improve for the industrialized country. This, at least, is the theory on which General Perón's doctrine of 'economic independence' is based. It is certainly true that the international prices of primary produce are nearly always determined by the purchasing countries, except in the short-lived and rather deceptive booms that occur from time to time, whereas the prices of machinery, durable consumer goods, and almost everything that the primary producer needs to import are fixed by the sellers. At the same time, manufacturing output can be regulated fairly easily to conform to the fluctuations of demand, and any surplus production can probably be disposed of without great difficulty, and is not perishable: the shortest time required for any substantial change in the output of agricultural produce is a crop cycle, and in times of world abundance a surplus may be very hard to sell, as Argentina has found often enough.

In the primary-producing country that lacks an industrial structure, exports represent a larger proportion of the national income than is the case in a highly industrialized country: when exports are composed chiefly of commodities that fluctuate, perhaps sharply, in price or volume, the effect of these fluctuations on the national income, and hence on the standard of living, is sometimes acute. A change of ten cents a bushel in the price of wheat does not make very much difference in the price of our bread, but to Argentina's economy it may be of great importance. It is significant that the price of a tractor in Argentina, in terms of wheat, has increased about fivefold since before the war.

These points have been very ably expounded by the U.N. Economic Commission for Latin America—it is a problem that affects all the Latin American countries in varying degrees—but General Perón is the first Latin American ruler to take serious and active steps to bring his country out of the 'colonial' stage as

quickly as possible. Many of his economic policies have been severely criticized, both at home and abroad, but he has never wavered in his belief that the primary consideration in any policy is the standard of living of the Argentine people. He has said this a thousand times, yet few of his critics have crept up to him with any sincerity on this point.

The ulterior aim in the process of industrialization that General Perón has been promoting so actively is to build up a manufacturing structure sufficient to supply all the country's requirements for manufactured goods (including, eventually, the products of the heavy industry) so that imports may be reduced to raw materials by industry and the few foods that do not grow in Argentina. Theoretically, a normal volume of Argentina's traditional agricultural produce would supply the domestic market and a balance of trade export that would pay for her reduced import requirements. Argentina would reach a position of trading equality with her industrialized partners. Manufacturing self-sufficiency does not necessarily mean that manufactured goods will be cheaper than those previously imported, but at least there is no need to import to meet the countries' inflation—that is, to pay prices dictated by the countries' wage structures. Under a system of even relative self-sufficiency Argentina's standard of living should be increasingly stable. This idea is not at all welcome to Argentina's trading partners, since it implies a further reduction of the value of their most highly priced exports, but it has to be considered.

On the question of trading practices, the balance of payments and international financial commitments General Perón's policies have been, to say the least, unorthodox, and very severe criticisms have been expressed in New York, London, and other places. But the fact remains that he has considered the interests of the Argentine people first, rightly or wrongly, and the interests of foreign investors and suppliers second.

Even on the subject of inflation—where it seemed he was most open to criticism on the domestic front—recent economic developments have proved that General Perón's policy may be more wisely guided than was commonly believed hitherto.

An essential factor in the process of rapid industrialization has been the easy availability of credit which, since the nationalization of the banking system ten years ago, has been completely under the control of the Government. Credit has been a necessity, not

assisting the formation and expansion of industries, but in the equally important expansion of the domestic consumer market. This expansive credit policy has undoubtedly been an important inflationary factor, but, although continuous inflation is the cause of many problems, the maintenance of a rapid rate of expansion is considered more important than the avoidance of inflation.

The present weakness of Argentina's economy, which is the principal cause of shortcomings in the international sphere, is to be attributed chiefly to the strains of the period of rapid transition. Obviously an economy is always in a state of transition unless it is completely stagnant, but in Argentina the process of building up an industrial structure while still being in effect a 'colonial' economy has enormously increased the country's import requirements without increasing her earning capacity, simply by the necessity of importing a large volume of machinery and equipment which does not begin to contribute appreciably to the supply of goods for some time to come. At the same time a certain minimum of consumer supplies must be maintained by imports.

There is evidence to suggest that the worst period of this transition is just passing. Argentina has not yet developed a heavy steel industry, but in almost every other branch of manufacturing a start has been made. Special attention is at last being given to the domestic production of tractors and agricultural machinery, with the idea that farming should be made as efficient as possible, since it will continue to be the country's exchange earner. The growth of industry is beginning to have an effect on the import bill, and the beginnings of a greater degree of self-sufficiency are in sight. Three important steps are needed to ensure permanent success: an efficient steel industry, on which a start has been made with the plant that is going up at San Nicolás, greater self-sufficiency in energy supplies—coal, petroleum, or atomic—and the renewal of transport equipment. When developments on these points have been consolidated Argentina will be an industrialized country to compare with many in Europe. It must not be forgotten that the Argentine people, unlike many of their neighbours in other republics, are industrious and ingenious, and General Perón, though he may be a demagogue, has given them a sense of achievement.

This, in outline, is the economic background against which the political disturbances have taken place. On 16 July came the pronouncement of freedom for the opposition parties to resume their

normal activities—in suspense for some time past—and even recognition of the Christian Democrats. In view of the forthcoming elections for the Constituent Assembly, in which the constitutional position of the Church in Argentina will definitely be the principal point of discussion, this move is very interesting: it looks as if General Perón, besides having his opponents in the open rather than underground, were preparing to enjoy the sight of the various opposition parties disagreeing profoundly, with the traditionally anti-clerical Radicals having to side with the Peronistas, if indeed the Peronista programme is still anti-clerical at the time. Perhaps even more interesting is General Perón's resignation from leadership of the Peronista Party: he is clearly anxious to take up a strictly neutral position in this dispute, and the only conclusion to be drawn from the facts is that, on the personal level at any rate, he has no desire to give any offence to the Church.

It is extremely doubtful whether these developments can legitimately be interpreted as showing a weakening of General Perón's position: the regular formula for interpreting inexplicable events is to attribute them to machinations of the Army, which wields the effective power. This was once applicable in Argentina and is doubtless so in other republics, but there is no evidence at all to suggest that the Argentine Army is anything but devoted to General Perón. If it is permissible to use economic arguments to reason out political matters, it has been noted that when Argentina's exchange position is strong, or when the cost of living is behaving reasonably well, and other ingredients of prosperity are present in the right proportion, then there is much greater freedom in the regulations governing the activities of the business world, even international payments improve.

It would be a mistake to assume that General Perón has not changed, and his policies with him, in the course of ten years. Some very grievous things have been done by the regime, and there are many aspects of *Peronismo* that are more than a trifle crude, but General Perón could never be accused of failing to look after the interests of his own people, or of failing to achieve a certain measure of success. This success undoubtedly includes the establishment of standards and principles that will have to be maintained by future regimes: no successor could afford to do less for the people than Perón has done.

S. A.

# *Soviet-Japanese Peace Treaty Talks*

## *The Negotiations as seen from Tokyo*

APART from their significance for the future of Japan's international relations, the Soviet-Japanese talks now being held in London provide an interesting view of how the Japanese are inclined to regard their present status in world affairs. In general it may be said that the Japanese, notably official circles and the press, tend to overestimate their country's importance on the international scene. This tendency, which has increased steadily in the past three years since the coming into force of the San Francisco Peace Treaty, results from a variety of interacting factors. A few of these may be briefly mentioned.

First, there is the perfectly normal inclination to regard the rest of the world from the point of view of one's own country and hence, almost inevitably, to believe that other countries ascribe to it a far greater importance than in fact they do. Secondly, the Japanese remember the four decades before 1945, during which their country was the most powerful independent Asian State. Though almost all Japanese are well aware that, with their total defeat and with the emergence of Communist China as the major power among Far Eastern countries, Japan's position has completely changed, their thinking is bound at times to be coloured by memories of their pre-war status. Far more important, however, is the role which the United States has assigned to Japan in its cold-war policy since about 1948. The Japanese on the whole believe that their country is and will continue to be the lynch-pin of American strategic planning in the Far East, and that even though they themselves may no longer possess any real military power, their adherence to the Western or to the Communist side, or even their neutrality, will be a deciding factor in the present cold war, or at least in any 'shooting war' that may follow. This feeling of their own importance in the world balance of power was, of course, greatly enhanced by their experience in the Korean war, when Japan not only provided the principal base, but contributed her industrial resources on behalf of the United Nations forces. Finally, so far as the present talks are concerned, the fact that the initiative came not from the Japanese but from the Russians tended, rightly or wrongly, to give them the impression that the Soviet Union attached particular importance to the

future role to be played by Japan in international affairs.

It is certainly not suggested here that Japan is a negligible factor in the present world situation, but simply that the Japanese are apt to overestimate the importance which most other countries attach to them. This tendency has been evident in the increasingly intransigent Japanese attitude during their recent talks with the United States over defence costs and Mutual Security assistance. It is now most clearly reflected in the way that they have overestimated the strength of their bargaining position in the current negotiations with the Soviet Union.

On the whole, the Japanese (that is to say, the relatively few Japanese who nowadays take any real interest in foreign affairs) looked forward to these talks with an almost absurd degree of optimism. They regarded the Russian offer, first made in Tokyo last December, to open negotiations for a peace treaty as part of the new, more amenable diplomatic policy which has recently been reflected in Soviet dealings with Western Germany, Yugoslavia and Austria. (It is interesting to recall that the Japanese Ambassador at Vienna was summoned to London for consultation shortly before the official opening of the talks on 1 June.) On the analogy of the Austrian treaty, it was widely expected that the Russians were now at last prepared to make substantial concessions to Japan in return for the 'normalization' of mutual relations.

The most important of these anticipated concessions was the repatriation of all Japanese nationals still detained in Russia, including the release of war criminals. According to the Japanese Government, there are now, ten years after the end of the war, still some 12,000 Japanese unrepatriated from Soviet territory, including about 1,780 in the Kurile Islands and Sakhalin, though of this total only 1,452 have actually been identified and confirmed to be still alive. The fate of the remaining 10,000-11,000 prisoners is not clear, but a large number must be feared to have died in captivity. The immediate return of the survivors is generally considered in Japan to be a *sine qua non* for the signing of any peace treaty with Russia, and not a matter to be settled after diplomatic relations have been established. This issue is quite understandable as the one that excites the greatest emotion among the Japanese people. It would also, incidentally, appear to be the demand that the Russians are most likely to meet, unless the talks break down completely.

The second important concession expected was the return

Japan of territories which she lost to Russia at the end of the war, specifically the Habomai Islands and Shikotan, and the Kurile Islands. Southern Sakhalin (Karafuto) was usually added to this list, though probably more as a bargaining device than in any real expectation of its return. It was admitted that Japan relinquished all right and claim to the Kurile Islands (and Southern Sakhalin) under Article 11 of the San Francisco Peace Treaty, but this was not viewed as an insuperable difficulty, so long as Russia was willing to show 'sincerity' in the negotiations. As the Governor of Hokkaido, Mr Tanaka Toshifumi, said at a recent press conference, the situation at San Francisco arose through 'various subjective circumstances prevailing at the time' and should not be allowed indefinitely to prejudice Japan's just claims to these islands.

These claims are based chiefly on historical arguments. It is pointed out that the two comparatively large islands of Kunashiri and Etorofu (usually known as the Southern Kuriles) have been part of Japanese territory since the beginning of the Tokugawa Period (1600) and have at no time belonged to Russia or to any other country. The Northern Kuriles, from Uruppu in the south to Shumushu next to the southern tip of Kamchatka Peninsula, were Russian for a time but were incorporated into Japanese territory by the treaty of 1875 whereby Russia acquired the southern half of Sakhalin. (The fact that the southern half of Sakhalin was seized by the Japanese thirty years later at the time of the Russo-Japanese war is usually omitted from the argument.) Having established this historical claim to the Kuriles, the argument usually shifts to moral grounds, namely that the Allies, including Russia, solemnly pledged in the Potsdam Declaration not to indulge in any territorial expansion as a result of the war, and that by remaining in the Kuriles, which Japan acquired by peaceful and legitimate means, the Soviet Union is violating a most fundamental principle.

The case of the Habomai Islands and Shikotan at the north-east tip of Hokkaido is different since they do not, it is argued, belong either geographically or administratively to the Kuriles.<sup>1</sup> It is, so the argument runs, only as a result of an error on the part of the Japanese commander of the Habomai group, who in 1945 sur-

<sup>1</sup> An inconvenient fact, usually overlooked, is that Shikotan, which is larger than any of the islands in the Habomai group, was in fact since 1884 administered as part of the Kuriles. So the administrative argument cuts both ways.



rendered to the Russian forces instead of to the Americans. These particular islands have come under Russian control and are an integral part of Japan, and it is frequently averred that immediate return should be a second condition for any negotiation of diplomatic exchanges. The campaign for the return of the northern island territories is capable of exciting considerable enthusiasm in Tokyo, let alone in Hokkaido, as could be seen from the large crowds that recently made their way through the rain to attend the 'Third National Rally for the Return of the Kurile and Habomai Islands'. Although the motives are in part of an extent emotional and irredentist, the economic factor is stressed. Before the war some 100,000 Japanese fishermen were in the northern waters which are now mostly forbidden by the territorial limits imposed by the Russians, and they accounted for 30 per cent of the national total. Now there are only some 13,000 fishermen and their haul has been correspondingly reduced. There is considerable distress among the fishing population of Hokkaido because of the rapid depletion of marine resources. Consequently Japanese fishermen continue to enter the rich fishing grounds off the Kurile and Habomai Islands despite the territorial limits; since 1948 about 345 and 2,890 crew members have been seized by the Russians, and though they are in due course returned to Japan, but the situation is of course entirely unsatisfactory from the Japanese point of view and is a potential source of serious friction in the future.

Other advantages which were expected to accrue from negotiations with the Russians were Soviet support for Japanese entry into the United Nations; a comprehensive fishing agreement which would greatly extend Japanese fishing grounds; an exchange of trade representatives and the opening of negotiations which would lead to new outlets for Japanese goods.

In view of these rosy expectations, it is not surprising that the Russian stand, as put forward in the third session of the UNCTAD on 14 June, came as 'a dose of cold water' (to quote *The Economist*). The basic difference in the positions between the two countries was that the Soviet Union wanted to have first a declaration of termination of the state of war and an exchange of ambassadors, whereas Japan wished to solve the outstanding problems between the two countries (notably the repatriation of prisoners of war, the return of lost territories) before exchanging Embassies. When the specific Russian demands were concerned, these were

tially the same as those unsuccessfully put forward by Mr Gromyko at San Francisco in 1951 in the form of amendments to the draft treaty prepared by Mr Dulles, the chief United States delegate. The main points are understood to have been as follows: (i) Soviet sovereignty over Southern Sakhalin and the Kuriles should be recognized. Here the Russians would seem to have a strong stand legally, as these territories became *terra nullius* when Japan renounced sovereignty over them in the San Francisco Peace Treaty and as they have now for ten years been under effective Russian occupation, administration, and control. The Habomai Islands and Shikotan were considered to be included in the Kuriles on the ground that they would otherwise have been specifically mentioned in the Livadia (Yalta) Agreement as part of the territory which Japan was to retain after her surrender; (ii) Japan should not take part in any military alliance aimed at countries that participated against her in the last war. This would presumably mean the abrogation of the Security Pact with the United States; (iii) the four straits of Tsugaru, Soya, Nemuro, and Tsushima should be made a demilitarized zone through which merchant vessels of all nationalities should be allowed to pass unrestricted, but no war vessels except those belonging to the countries facing the Japan Sea (viz. Russia and China) should be permitted in these straits.

Concerning the repatriation of Japanese nationals, the Soviet attitude was that they have all in fact already been repatriated except for 'war criminals' (about 1,000 in number), and that the latter would be returned as soon as a peace treaty was signed, or when they had served their sentences.

Further Russian points were that the two countries should conclude an agreement to expedite cultural interchange; that Russia and Japan should strictly observe the principle of non-interference in each other's domestic affairs; and that there should be a mutual waiver of reparations claims. Only on three relatively minor points did Russian demands seem to correspond closely with Japanese aspirations: first, the Soviet Union would support Japan's entry into the United Nations after the conclusion of a peace treaty; secondly, an expert conference should be called to discuss the fisheries question; thirdly, negotiations should begin as soon as possible for the conclusion of a Russo-Japanese commercial treaty.

It is clear, then, that in her initial stand Russia not only rejected all the major Japanese demands, but made certain additional con-

ditions which it would be impossible for the present Japanese Government to accept. When it was realized opening Soviet demands were not simply bargaining positions, the whole represented their considered position, the reactions of the main Japanese newspapers varied from surprise, frustration, indignation, and even anger. As *The Mainichi* (17 June), 'the Soviet proposals, which were unreasonable at the time of the San Francisco Conference . . . are even more unreasonable at the present time.' The *Nippon Times* emphasized the basis of all the Japanese demands and strongly deprecated the 'cap in hand' attitude on the part of the Japanese representatives. The *Asahi Evening News* recalled that Japan who attacked Russia but Russia who declared war despite the existence of a non-aggression pact; it was essential that Japan should insist on the release of detained nationals as a condition to the signing of a peace treaty, since 'the detained so-called war criminals are not something for which Japan should pay a price'. In this connection, *The Mainichi* warned that it would be a great mistake for Japan to agree to end the state of war between the two countries and to resume normal diplomatic relations before the major issues were settled, as once a Soviet Embassy was installed in Tokyo Japan would find herself subjected to diplomatic pressure and to 'embarrassing pro-Russian propaganda' that would place her at a serious disadvantage in future negotiations. Concerning the Soviet demand for Japanese neutrality, it was pointed out that this was even more unrealistic than when it was originally made in 1951, because the world situation had changed. The Russian demand for free navigation on the seas to be restricted to certain countries, notably the Soviet Union and Communist China, was dismissed as equally unrealistic. In conclusion, the major daily newspapers all agreed that if the 'unreasonable' Soviet attitude proved to be unyielding Japan should be prepared to break off the talks, and that the responsibility for such a breakdown would rest with the Soviet Union.

It soon became clear that if the Russians persisted in the expected strong attitude adopted in the initial stage of the Hatoyama Government would find themselves in considerable difficulties. Mr Hatoyama's readiness, even eagerness, to enter into peace negotiations with the Russians was undoubtedly one of the principal factors in his victory over the Liberals in the Election last March. Any failure now to achieve Jap

demands would certainly tend to vindicate his critics, especially those of the Liberal Party, who had, to say the least, been lukewarm about the talks. The Foreign Minister, Mr Shigemitsu, was therefore quick to point out that the initial Russian stand had been expected by the Government and was disappointing only 'to those who were too optimistic'. This, of course, has not stilled the criticism. The Government's opponents in the Liberal Party and in the extreme Right wing strongly deprecate any tendency to compromise over Japan's 'just aims' and are ready to make political capital of anything that can be construed as weakness on the part of the Japanese negotiators. This is undoubtedly aggravating the Government's difficulties in manoeuvring towards a possible solution. On 17 June the Liberal Diet member, Mr Kashima Morinosuke, declared in the Upper House Foreign Affairs Committee that the basic stand of his party was to demand the return of the territories now occupied by the Soviet Union; he added that the Liberal Party was absolutely opposed to the abrogation of the Japan-U.S. Security Pact and the 'Soviet attempt to neutralize Japan'; the Government should obtain a Soviet guarantee not to resort to a 'subversive propaganda campaign' in Japan. In the face of such demands, Government spokesmen have repeatedly assured the Diet that Japan would not weaken in her basic stand as decided upon prior to the talks.

Criticism was not restricted to the Right wing but came also from the Socialist parties and, needless to say, from the Communist Party, who accused the Government of being 'insincere' in their conduct of the talks and in not working effectively for their success. For example, the Right-wing Socialist leader Mr Sone Eki claimed that Mr Shigemitsu's disclosure of the contents of the talks at the crucial third session (14 June) constituted a breach of promise, in that it had been agreed that no details should be revealed without the consent of both sides. The Foreign Minister's present attitude was, he said, 'not only disgraceful, but has soiled the international faith placed in Japan'. To this stricture Mr Shigemitsu was only able to reply that he revealed the contents of the secret talks only in order to avoid probable misunderstanding and to make known to the world the stands of the two sides at the outset of the talks.

Should the peace negotiations, the prospect of which contributed so largely to Mr Hatoyama's victory last March, break down or result in a settlement that can be considered unfavourable to

Japan, they may paradoxically prove to be the cause of the Government's downfall.

The crucial aspect of the current negotiations, which is largely overlooked in the press and in public pronouncements, is that Japan is in an extremely weak bargaining position. It is stated, the fact is that Japan is making important demands of Russia, notably with regard to territorial concessions, but has little to offer in return. The one vital thing that Japan can theoretically offer is neutrality, but with the present Japanese Government that is clearly out of the question. Hence the Japanese attitude towards Austria, one of the bases for the initial Japanese overtures over the talks, is completely misleading. Austria was always something that for a basically pro-American, conservative Japanese Government would be quite impossible. The same applies to the Russian demand for free navigation. The Japanese assumption seems to have been that the Russians would make major concessions, including a withdrawal from the Kurile Islands (while the Americans remained in the Philippines) simply in return for Japan's agreement to end the state of war and to resume normal diplomatic relations. At times, in studying the Japanese attitude over the negotiations, one cannot help wonder if they are not unconsciously harking back to the time of the Portsmouth Treaty fifty years ago, when indeed Japan was negotiating from strength. It is precisely because the Japanese tend to overestimate the importance now attached to them by the Western countries that they do not appreciate the weakness of their bargaining position and imagine that a mere agreement on to 'normalize' relations is sufficient *quid pro quo* for territorial and other concessions. There may be a rude awakening

# THE WORLD TODAY

Volume 11 No. 9 September 1955

\*

## *The Summit Talks at Geneva, and After*

EVERY conference takes place in a given context. Sometimes the agenda for the conference spells out the context and sometimes it does not. The agenda for the Geneva Conference proclaimed four principal areas of dispute between the U.S.S.R. on the one side and the U.S.A., backed by Great Britain and France, on the other. These were: first, the reunification of Germany—or, to put it another way, what are to be the shape and power of Germany and how is Germany to be fitted into post-war Europe. Second, a security system for Europe—or what is each side asking of the other in the shape of new promises or the dissolution of existing engagements before each is prepared to begin to let down its guard. Third, disarmament—or first stages in the letting down of the guard. And finally, contacts between East and West, by which the Russians mean principally more trade and the other Powers mean principally freer circulation of individuals.

It is by now a commonplace to observe that, whatever may happen at the forthcoming Foreign Ministers' Conference in October, Geneva itself did little or nothing to expedite solutions in any of the areas of dispute. This is true enough in the sense that no new agreement came out of Geneva. Old problems were restated and new and ingenious plans were put forward, but at the end of the week both the problems and the plans looked the same as at the beginning of the week—that is to say, the problems looked just as intractable and the plans just as unreal.

The most obvious example of this is Germany. The British and the French put Germany in the forefront of their programmes, and the British and French Ministers displayed a passion for German reunification which, one may take leave to opine, was considerably more fervent than British and French non-official views on this matter. Sir Anthony Eden, with the diplomat's natural love for small beginnings, proposed a demilitarized zone in Germany and produced a pilot scheme for the limitation of the armaments of Germany and its neighbours, a scheme which might in time be extended over a wider field. These proposals were politely swept into the agenda for the next conference after Marshal Bulganin had said bluntly that Moscow was against German re-

unification for the time being. The Russian policy for exposed with unusual frankness, proved to be a two-p completely contrary to established Western policies. Th want the two Germanies to remain separate for som distinct entities of equal status and to grow together instead of being united at a blow by free and early elect also refuse to agree to unification until all the Europe and the U.S.A. have signed a general security treaty provide, among other things, for the dissolution of N the end of three years. In other words they refuse to j East German puppets just yet and they preserve their p treating directly with Dr Adenauer as the Western ( and with any succeeding Chancellor who may become of a united Germany. The Russians are going to discuss with the Germans and not with the Western Powers. Th no interest at all in Sir Anthony Eden's bright ideas.

The long and the short of it is that the Russians are q with the German situation as it is. The West, on the o was saying at Geneva that it wanted the situation chan it is always easier to sit tight than to change things, th are in the stronger position.

This appearance of deadlock, which is not confir German illustration, has to be modified by what we m Eisenhower impact. The President showed that the which the Conference was meeting was not the four pc agenda but something much wider, namely Russo relations.

For President Eisenhower the Geneva Conference v occasion for trying out new schemes or for negotiating topics. He brought no guinea-pigs to Geneva. He did regard a meeting of Heads of Government as a super Foreign Ministers' Conference. He regarded it as somet different and he succeeded in making it something quite Sir Robert Boothby has used the word 'confrontation' t what happened, and it describes it very well. The great a met to look one another in the face, to establish new rela President indeed produced unexpectedly in the mid Conference the chief American 'militarists', Admiral R General Gruenther, with the air of one who says to the "Take a look at these men whom you call warmongers; are in flesh and blood, not very like the picture painte

by Russian propaganda.' It was an original stroke and typical of Eisenhower's whole approach to the Russians. It was perhaps even more effective than his startling offer to exchange blueprints of military installations and to allow mutual aerial reconnaissances. And both these moves emphasize another aspect of the President's mind. Not only was he out for a confrontation rather than for negotiation. He also turned the meeting into a two-Power rather than a four-Power affair. Russo-American relations mattered far more than any of the four items on the agenda.

Since, in the President's view, the object of a meeting of Heads of Government was to change the context in which the Foreign Ministers could later take up the agenda items once more, it is irrelevant to complain that Geneva did not produce results—if by results is meant the sort of effect which negotiating conferences are supposed to have on agendas. The President was trying at this conference to change things in such a way as to produce the results at the next—the Foreign Ministers'—conference. And so for the present it is impossible to say whether he succeeded. The operation is one designed to take place in two or several stages and Geneva was only the overture. One does not judge a General by his preliminary dispositions before the battle. All we can say during this interval is that the atmosphere has changed for the better, but we cannot tell whether the changed atmosphere at the confrontation will be followed by agreement in negotiation. On the other hand it is almost certainly true to forecast that the atmosphere will change back again unless agreement on something comes reasonably soon. Amiability cannot persist indefinitely on its own after a decade of hostility and suspicion; it will demand the sustenance that only solid agreement can provide.

Where then can agreement begin? Not, probably, on fundamentals. Indeed the fundamentals are so obviously incapable of early resolution that they were barely mentioned at Geneva. When they were mentioned, it was for the record only and not for business purposes, because the plain fact is that neither side is in a position to obtain its primary object. In the Western world the overriding wish is to see the Russians trekking back eastward again. The Russian advance into the heart of Europe at the end of the war raised a menace to the rest of Europe that the Western Powers have not ceased to fear. But the Western counter-policy, embodied in N.A.T.O., cannot force the Russians back, although it has succeeded in halting their advance. The Russians on their



side want N.A.T.O.'s alliances and bases to be dissolved, they are no more able to procure than the West is able to get Russians out of the satellite countries. Hence a stalemate of affairs that has in the past led to violence, because except war seemed capable of breaking the deadlock. But each side has apparently decided that war—or at any rate war as would be waged in Europe—would do it more harm than good. So the lines remain fixed, and any geographical matter whether military or diplomatic, is ruled out.

This rigidity includes not only the basic opposing positions in N.A.T.O. and in Russian-occupied Europe but also extends to Germany. It seems therefore rash to look for any progress from the October Foreign Ministers' Conference on Germany or for but a meaningless security treaty. That leaves only contact between East and West, since disarmament has been referred to the United Nations Sub-Committee in New York and not to the Foreign Ministers. It should not be too difficult to improve contacts. In fact they are being improved all the time, although they remain extremely sparse and artificial. But it is impossible to regard the extension of contacts as being as diplomatically significant as agreement on Germany or disarmament. In the long run freer contacts may be extremely important, but an announcement about relaxation of restraints could not conceivably have as much effect as an announcement that the Foreign Ministers had reached terms on Germany or that the Disarmament Sub-Committee had achieved unanimity on atomic warfare.

There are factors making for an agreement or at least for contact between the major Powers on armaments. There is of course a tremendous economic burden. There is the ever-growing realization that a war with H-bombs would be an unmitigated disaster and that any war could only too easily become a war with H-bombs. And there is also another and even newer element in the situation—the dawning possibility that H-bombs are coming within the reach of more and more States. It is bad enough that the U.S.S.R. should have the bomb but—to take an extreme case—it would be even more terrifying if Mr. Syngman Rhee had one. Mr. Rhee is not likely to have one, but there are other hardly less unprepared and irresponsible Heads of State who may have one in the foreseeable future. This development creates between the U.S.A. and the U.S.S.R. a new common interest—to prevent other Powers from having atomic weapons and to devise a system of international control.

and control enabling the 'atom' Powers to monitor and restrain the smaller Powers. So long as inspection and control are discussed in terms of allowing the major Powers to interfere in each other's affairs, there is little prospect of a practical agreement. But as soon as it becomes a question of the 'have' Powers combining in defence of their monopoly the outlook is changed, for the very simple reason that the major Powers start by wanting to do something together instead of wanting to do something to each other. This may put the morality of States in an unfavourable light, but there is nothing new in that and it is only one more example of the unwisdom of importing morality into such issues.

Whether on disarmament or something else, there is, after the Geneva demonstration, increased pressure on both sides to reach agreement on something. Both sides have committed themselves with great publicity to the new course of international mateyness and both must be well aware that it is impossible to hold that course for long without occasional gusts of a fair wind.

The Foreign Ministers will embark in October on what looks like being a tedious journey dotted with rocky conferences. Theirs is neither an easy nor a spectacular prospect. Meanwhile their principals will continue to play Aeolus to their Odyssey, pouring oil (if one may add metaphor to simile) on seething waters, behaving to each other and even perhaps visiting each other with all the urbanity of the heads of now departed sovereign houses. Perhaps it is a pity that dynastic marriages have disappeared from the diplomatic armoury.

P. C.

## *The Constitutional Crisis in South Africa*

At the opening of the third session of the Eleventh Parliament of the Union of South Africa, the Governor-General announced that 'Parliament will at the appropriate time be asked to give consideration to the separate representation of voters and to the question of the sovereignty of Parliament'.<sup>1</sup> It is now clear that the appropriate time will not arrive before 1956; but the Union Government has already prepared the ground for the attainment of these two ob-

<sup>1</sup> House of Assembly Debates, Third Sitting, 11th Parliament, col. 5 (21 January 1955).

jectives. By securing the enactment of two statutes, the drastically altering the composition of the highest court and second transforming the Senate into a fantastic caricature legislative chamber, Mr Strijdom has sought to achieve indirectly what he has hitherto been unable to achieve by direct legislative action.

In order to set these two measures, the Appellate Division Quorum Act, 1955, and the Senate Act, 1955, in their proper text, one must go back to 1951, when Dr Malan made his major attempt to enshrine his conception of *apartheid* in constitutional terms. The Separate Representation of Voters Act, 1951, removed Cape coloured voters from the common roll, placed them on a separate electoral roll, and gave them separate representation by European members in the Union Parliament. The effect of this Act was to amend section 35 of the South Africa Act, 1909, which preserved the voting rights of Cape coloured citizens existing at the time of Union. But it had been passed by simple majorities in the two Houses of the Union Parliament sitting separately; and section 152 of the South Africa Act provides that no repeal or alteration of the entrenched sections of the Act (*i.e.*, section 35, section 137 (which guarantees equality of official languages), and section 152 itself) shall be valid unless a Bill has been passed by both Houses sitting together and agreed at third reading by not less than two-thirds of the total membership of both Houses. When the validity of the 1951 Act was challenged in 1952 before the Appellate Division of the Supreme Court, the Court held unanimously that it was void and of no effect, since it had not been passed by the Union Parliament sitting together and acting in the manner prescribed by the South Africa Act. This decision did not imply that the Union Parliament was not sovereign; less still did it imply that the Union was not a sovereign State; it meant simply that in order to exercise sovereignty the Parliament of the Union had to function in accordance with the rules of law contained in the Constitution which gave it birth, and that it was for the courts to determine whether the conditions precedent to the exercise of legal sovereignty had been observed.

The Government replied by introducing a Bill to establish a body called the High Court of Parliament, which was to consist of all the members of both Houses of Parliament and was to have the power to review and to annul by a simple majority any decision

the Appellate Division declaring invalid any instrument duly enrolled and purporting to be an Act of the Union Parliament. The Bill was passed bicamerally by simple majorities; the High Court of Parliament met<sup>1</sup> and annulled the decision in the *Voters' Case*; the validity of the High Court of Parliament Act was then challenged in the ordinary courts; and in November 1952 the Appellate Division held (again unanimously) that the Act was invalid, on the ground that the entrenched sections embodied constitutional guarantees which were to be protected by courts of law and that the High Court of Parliament was not a court of law but Parliament functioning under another name and purporting to destroy by an ordinary majority the efficacy of the entrenched sections.

The Nationalists were genuinely shocked by these decisions. The very judges upon whom fulsome praise had been lavished in 1950, when the appeal to the Privy Council had been abolished, had now presumed to thwart the *volkswil* by denying that Parliament could ignore the Constitution. And had not the Appellate Division laid down in 1937, in the course of an unreserved judgment delivered without the aid of prepared arguments by counsel,<sup>2</sup> that the two-thirds majority provisions were no longer binding on Parliament? Nevertheless, the Government accepted the 1952 decisions of the Appellate Division, without undertaking to abide by them. In the 1953 General Election Cape coloured citizens again voted on the common roll. Dr Malan was returned with a mandate to put the 'sovereignty of Parliament' beyond doubt, and with a majority which, although increased, still fell short of two-thirds of the total membership of the two Houses.

In 1953 the Government renewed its efforts to remove Cape coloured voters from the common roll. In a joint session of the two Houses it introduced the South Africa Act Amendment Bill, which provided for the repeal of Section 35 of the South Africa Act, the validation of the Separate Representation of Voters Act, and the abolition of the 'testing right' of the courts except in relation to measures falling within sections 137 and 152. On 16 September 1953 this Bill failed by sixteen votes to obtain the 138 votes necessary for a two-thirds majority at third reading. Two days later the Government obtained leave to introduce a Bill to divide the Appellate Division into two courts, a Court of Civil and Criminal Appeal and a Court of Constitutional Appeal; the Government

<sup>1</sup> The Opposition refused to take any part in the proceedings of this 'Court'.

<sup>2</sup> *Ndlwana v. Hofmeyr* (1937) Appellate Division 229.

would have power to appoint judges to sit exclusively in court. Hard upon this blatant threat to the independence of the judiciary there followed the Separate Representation of Voters Validation and Amendment Bill, the objects of which were more restricted than those of the abortive South Africa Act Amendment Bill. By this time the leaders of the United Party had begun to show signs of vacillation. Shaken by electoral defeat, the secession of right-wing members of the Party who were ready to compromise with the Government, and by awareness of the Government's single-minded resolution to persist in the pursuit of its immediate aims, Mr Strauss agreed to Dr Malan's proposal that the Bill should be committed to a Select Committee of the Houses. Mr Strauss expressed the hope that a solution might be found that would 'lift the whole non-European question out of the arena of party politics' and that the Government would thereby keep its hands off the courts and the entrenched sections of the Labour Party vehemently opposed the new proposal. Strauss's equivocal approach may have placated a few of his right-wing supporters, it brought dismay to the liberal wing of the party and inevitably cast doubts upon the sincerity of the Government's attitude towards the problem of the Cape coloured franchise.

Yet the efforts to reach a compromise were fruitless. The Select Committee failed to produce a unanimous report. The United Party members published a separate statement of their views,<sup>2</sup> which forms the most coherent exposition of the case in favour of the maintenance of the *status quo* on the question of the Cape coloured vote. The Government modified its course in transigence to the extent of accepting amendments (initially proposed by the United Party secessionists, led by Mr Bailey Bekker, who formed the Conservative Party), which would have enabled the Cape coloured voters already registered on the common roll to remain on that roll; and for the time being it refrained from proceeding further with the Appellate Division Bill. But when, on 11 October 1954, the Bill to alter the coloured franchise was debated on its second reading, it failed by nine votes to obtain the necessary majority, although the Conservatives voted with the Government.

In 1954 the United Party continued to lose ground.

<sup>1</sup> See his speech reported in *Parliamentary Debates, Second Joint Sitting of the 11th Parliament*, cols. 6-13 (2 October 1953).

<sup>2</sup> *The Cape Coloured Vote: Separate Report by the United Party Members of the Joint Select Committee set up to consider the Separate Representation of Voters Act Validation and Amendment Bill, 1953* (Juta & Co.).

election record was poor. It suffered a severe defeat in the elections for the Cape Provincial Council. Enfeebled by the establishment of the Federal, Liberal, and Conservative Parties, and fearful of further defections to right and left, it was unable to present any long-term policy of its own on the problems of race and colour. But it could at least unite in opposing the movement towards Afrikaner authoritarianism and republicanism, in resisting encroachments upon the independence of the courts, and in pointing to the folly of driving the coloured community into an anti-European alliance with the natives.<sup>1</sup>

If the party leaders ever experienced misgivings about the propriety of their refusal to contemplate any extension of the coloured franchise,<sup>2</sup> they could at least console themselves with the reflection that there was no evidence that liberal policies would commend themselves to the electorate.

When Mr Strijdom, a man of extreme views and inflexible will, succeeded Dr Malan as Prime Minister in December 1954, it became certain that the constitutional struggle would soon be resumed in an intensified form. The Government's intentions were first indicated in March 1955, when the appointment of five new judges of the Appellate Division was announced. Some of the new judges (all of whom were members of provincial divisions of the Supreme Court) were understood to have had leanings towards the Nationalists before they had assumed judicial office; but it would be imprudent, as well as improper, to predict whether their former political sympathies will influence their decisions in constitutional cases. The second step was the introduction of the Appellate Division Quorum Bill, which increased the quorum of the Court to five, except in any appeal 'in which the validity of any Act of Parliament (which includes any instrument which purports to be and has been assented to by the Governor-General as such an Act) is in question', in which case the quorum would be eleven. The Bill differed from Dr Malan's pigeon-holed Bill in that it did not provide for the creation of a separate Constitutional Court.

The Government's reason for introducing the Bill was frankly explained by Mr Strijdom during the debate on second reading.

<sup>1</sup> Cf. *The Cape Coloured Vote*, para. 53, where it is contended that the coloured community 'could become one of the bastions of Western civilization in South Africa if their goodwill and co-operation are maintained'.

<sup>2</sup> In 1953 Cape coloured voters comprised only 7.9 per cent of the total number of registered voters in Cape Province.

Issues affecting the sovereignty of Parliament and the effect of the entrenched sections might again come before the Court was desirable that 'a larger and more representative Bench should consider such weighty matters, a Bench which will consist of judges who because of their former decision are irrevocably bound to and by a particular point of view.'<sup>1</sup> In other words, the Government was trying to provide the means by which the five remaining judges of the 1952 Court could be out of the way if the validity of future legislation were to be impugned. After heated debates, the temperature of which was not reduced by the address by Conservative members both to the Government benches and to the United Party leadership, the Bill was passed by each House and was assented to by the Governor-General on 25 April 1955.

It was generally expected that the Government's next move would be the alteration of the composition of the Senate. The present Senate, as at present constituted, has forty-eight members; four of these are to be chosen mainly on the ground of 'their thorough acquaintance . . . with the requirements and wishes of the coloured races'.<sup>2</sup> In practice the Government nominates two of its own supporters from each of the four provinces. Four European Senators are indirectly elected to represent their interests. Since 1949 there have been four Senators for South-West Africa, two nominated and two elected; all are Nationalists. Finally, eight Senators are elected by each province, by the single transferable vote system of proportional representation, the electoral college consists of the members of the House of Assembly and the members of the Provincial Council for that province. To the extent that the composition of the Senate, as agreed by the National Convention at the Union, provides for equality between the provinces, it represents a limited concession to the protagonists of federalism rather than to national unification. In fact the Union Senate, like all Upper Houses of the Commonwealth, has been dominated by the party system and has shown no special solicitude for provincial rights. But this does not mean that the principle of provincial equality can today be easily set aside. If a Government in office uses its majority to curtail the proportionate representation of a small province like Transvaal must expect to be accused of striking a blow at the foundation of the Union Constitution.

<sup>1</sup> House of Assembly Debates, Third Sitting, 11th Parliament, col. 10 (25 April 1955).

<sup>2</sup> South Africa Act, 1909, s. 24.

Except in financial legislation<sup>1</sup> the Senate has co-ordinate legislative powers with the House of Assembly, but it has asserted itself only spasmodically<sup>2</sup> and its prestige has not been high. Usually only one Minister is a Senator (though that one is now the formidable Dr Verwoerd) and there have been periods when there has been none, but Ministers have the right to speak in either House. It was open to a Government to overcome the opposition of a hostile Senate by various devices. The Senate could be dissolved at the same time as the House of Assembly or within 120 days after the dissolution of the House of Assembly.<sup>3</sup> Nominated and elected Senators vacate their seats upon the dissolution of the Senate, and nominated Senators also vacate their seats upon a change of Government. If the Senate were to refuse in two successive sessions to pass a Bill already passed by the House of Assembly, a joint sitting of the two Houses could be convened and the Bill could then be passed by a majority of the total number of members present.<sup>4</sup> In 1949 the Government strengthened its position in the Senate by the addition of four Senators from South-West Africa.

There has long been a case for increasing the size of the Senate and for revising its composition and powers. Several schemes for reform were canvassed at the Speaker's Conference of 1920, though none was implemented. But there has never yet been a case for swamping the Senate with the supporters of the Government in office. Having regard to the representative character of the Senate, it is indeed difficult to imagine circumstances in which such a course of action would be justifiable. No such circumstances had arisen when, on 11 May 1955, the Government obtained leave to introduce the Senate Bill in the House of Assembly.

Mr Strijdom again proved to be a helpful guide to the purposes of the Bill. 'In the first place,' he said, 'the object of the Bill and of legislation that will follow later is to put the Coloureds on a separ-

<sup>1</sup> *Ibid.*, s. 60, see also Ralph Kilpin, *Parliamentary Procedure in South Africa* (2nd ed.), pp. 48-50; and see below, p. 378.

<sup>2</sup> See H. J. Mandelbrote in *Cambridge History of the British Empire*, vol. VIII, pp. 681-3.

<sup>3</sup> There have in fact been only four dissolutions of the Senate—in 1920, 1929, 1939, and 1948.

<sup>4</sup> This procedure, which is laid down in section 63 of the South Africa Act (now repealed by the new Senate Act), must be distinguished from the provision for joint sittings to consider alterations of the extended sections, where a two-thirds majority is required. Only three joint sittings to consider deadlocks on Bills have been held under Section 63, all in the period 1926-8; in each case the Bill was passed. See Kilpin, *op. cit.*, pp. 148-9; Eric Walker, *History of South Africa* (2nd ed.), pp. 603-4.



ate roll.' Its second object was 'to put the sovereignty of Parliament beyond doubt'.<sup>1</sup> The following were the main features of the Bill: the number of nominated Senators in the provinces was increased from eight to sixteen; the number of elected Senators for each province was related to the number of constituency elections to the House of Assembly, and the principle of provincial equality was abandoned; the Senators for each province were elected by a simple majority vote instead of by proportional representation; the normal term of office of Senators was reduced from ten years to five; the existing Senate was to be dissolved by the end of 1955. The practical effect of these provisions would be to increase the size of the Senate from forty-eight to eighty and to give the present Government the overwhelming majority of seventy-seven to twelve. The seats would in fact be distributed thus:

<i>Government</i>		<i>Opposition</i>	
Transvaal	27	Natal	8
Cape	22	Native representatives	4
Orange Free State	8		
South-West Africa	4		
Union nominated Senators	16		
	—		—
	77		12
	—		—

This would leave the Government with substantially more than the two-thirds majority of the total membership of both Houses that it requires in order to amend or repeal the entrenched sections of the Constitution.

The publication of the Government's proposals gave the spring for the launching of a campaign of protest by its opponents. In the spirit, if not the body, of the Torch Commando was revived. Dr. J. G. Strauss denounced the Bill as marking 'the end of South Africa as conceived at the Union', and the United Party organized a series of mass meetings. A petition against the Bill, containing some 100,000 signatures, was submitted to the Governor-General by a newly-formed organization, the Women's Defence of the Constitution League; a deputation of ladies marched through Pretoria and camped for two nights on the lawns outside the administrative headquarters of the Government, while their husbands sat in motor-cars by the roadside to protect the petition against the contumelies of nationalist rowdies.<sup>2</sup> Other petitions

<sup>1</sup> House of Assembly Debates, Third Sitting, 11th Parliament, cols. 6039 (23 May 1955).

<sup>2</sup> Recently members of the League, dressed in mourning, have picketed Government buildings and Nationalist meetings.

against the Bill were signed by large numbers of university teachers.

The Government stood firm and implacable against the tide of indignation that surged within and without the walls of Parliament. It regarded the substance of the Bill as regrettable; but it had no doubt that the desirability of the ends that the Bill was to serve justified the means adopted. The responsibility for bringing about the situation was placed in the first instance upon the judges of the Appellate Division who had misinterpreted the Constitution, and secondly upon Mr Strauss who had obstinately refused to defer to the will of the people and co-operate with the Government in its policy regarding the coloured vote. Only a handful of the Government's own followers found the contents of the Bill too unpalatable to stomach. When a group of Afrikaner professors and senior lecturers of the University of Pretoria entered a formal protest against the Bill they were subjected to violent personal attacks by the nationalist press. Waverers were silenced by the force of the pressures towards conformity and solidarity.

In the parliamentary debates upon the Bill, Ministers cited United Kingdom precedents for overcoming the opposition of a refractory House of Lords; the Opposition replied that the Senate, unlike the Lords in 1909-11, was not an unrepresentative body obstructing the will of a popularly elected House, and that in any event the Government enjoyed a majority in the Senate. The Government would indeed have had almost as little justification for packing the House of Assembly. The acrimony of the second reading debate surpassed anything experienced since the war. Mr Strijdom, somewhat surprisingly, compared Mr Strauss as a party leader with Hitler; Mr Strijdom was in turn reminded of the direction of his war-time sympathies. Charges and counter-charges of past and present breaches of faith were flung from both sides of the House. The Conservative Party, while opposing the Bill, contrived to fire most of its ammunition at the unreasonable Mr Strauss.

During the course of debate a Labour member pointed out that even if the United Party were to win the General Election of 1958 it would probably still be faced with a hostile Senate. Elections to the Provincial Councils were not due until after the General Election, and since the Nationalists now controlled Transvaal, the Cape, and the Orange Free State, the representation of those provinces by Nationalists in the reconstituted Senate would be

likely to continue after 1958. Mr Strauss tabled an amendment that was designed to meet this difficulty but (presumably under pressure from his followers) almost immediately withdrew it. The Government, however, decided to move a similar amendment itself; the amendment empowered a Government to dissolve the Senate within 120 days of the expiry of the life of a Provincial Council. If, therefore, the United Party were to win the General Election and then the provincial elections in the Cape or Transvaal, it would be able to dissolve the Senate and have a good chance of regaining control of the Senate. Few observers believe that Mr Strijdom's gesture has jeopardized his party's future prospects; for at present nothing seems more improbable than that the United Party will recapture the ground it has lost since 1948.

The Government also moved an amendment to replace the existing constitutional provisions for resolving deadlocks between the two Houses.<sup>1</sup> If a Money Bill is rejected by the Senate it may be presented to the Governor-General for the royal assent in the same session. Other Bills may be presented for the royal assent if rejected twice in successive sessions. The United Party and the Labour Party opposed all the amendments and offered none of their own. The Conservative Party voted against giving a second and third reading to the Bill. After the Bill had been passed by the House and the Senate, it received the royal assent on 20 June.

It was not inappropriate that the last days of the now moribund Senate should have been enlivened by a ludicrous incident. The party whips had agreed that a Government Bill should be taken through all its stages on 22 June so that Parliament could be prorogued on that day. But a U.P. member, Senator G. M. Botha, objected to this unseemly haste; and so the debate had to be adjourned until the following day, amid scenes of consternation as train and aeroplane bookings were cancelled. When the adjourned debate was resumed Senator Botha made an early withdrawal to catch his own train.

When the new session of Parliament opens in 1956 it may be assumed that a Bill to remove the coloured voters from the common roll will be passed by the House of Assembly and the re-constituted Senate at a joint sitting. The validity of this measure will no doubt be challenged in the courts, possibly on the ground that the body by which it was passed was not 'Parliament' as de-

<sup>1</sup> See above, p. 375.

fined by the South Africa Act, inasmuch as one of the constituent parts of Parliament, namely the Senate, could not properly be regarded as the Senate envisaged by that Act. An attempt may also be made to establish the proposition that Parliament cannot, by means of a legislative scheme consisting in part of measures passed bicamerally, indirectly destroy the protection afforded to individual rights by the entrenched sections. If the courts uphold the validity of the legislation, further measures affecting the relationship between the courts and Parliament are likely. And once the new Senate has served its purpose, the Government will almost certainly end or mend it. If, on the other hand, the Appellate Division finds against the validity of the legislation, the Government may be expected to have recourse to still more drastic methods.

There is at present no sign that the Government has suffered any appreciable loss of popular support as a result of its recent conduct. The United Party, however, has again demonstrated its inability to unite upon anything except opposition to specific proposals made by the Government. Mr Strauss, in answer to a question whether the United Party would restore coloured voters to the common roll if it were returned to power, explicitly declined to commit himself, arguing that the question was hypothetical, that the matter would be decided only if it arose, and that in any event it might be impossible in law to re-entrench the coloured franchise effectively. So unconvincing was this answer that it is not surprising that seven liberal members of the parliamentary caucus at once called for a clarification of his attitude. In a second statement Mr Strauss declared that the party would seek to 'set right the grave injustices' perpetrated against the coloured community, but he again failed to give an unambiguous answer to the original question.<sup>1</sup> Six of the seven members were sufficiently satisfied not to carry the matter further, but Dr Bernard Friedman, one of the ablest parliamentary debaters in the party, resigned his safe seat and announced his intention to contest the by-election as an independent. Dr Friedman was subsequently expelled from the party.

Of the smaller parliamentary groups, the Labour Party appears to be developing more radical tendencies and may even move towards the standpoint of the Liberal Party. The Conservative Party has little prospect of survival unless it can attract the support

<sup>1</sup> Mr Strauss's statements are reported in the *Cape Argus*, 13 and 15 June 1955.

of moderate Nationalists and in particular of Mr Havenga, has withdrawn from active participation in party politics. While Mr Strijdom will continue to steer in the course his colleagues have set, heedless not only of world opinion but of the deepening cleavage between Afrikaner and Briton, and confident in the knowledge that at bottom European political attitudes in the Union are still shaped by fear of the black majority. S. A. de

## *Youth Leagues in Central Europe*

### *Old and New Problems of Control*

THE Communist-sponsored World Youth Festival in Warsaw early August felt the fresh breeze of the new international friendliness and 'peaceful co-existence' which the Geneva Conference engendered. On the eve of the opening of this spectacular Festival the Executive Committee of the World Federation of Democratic Youth adopted a number of resolutions clearly reflecting the changed international climate. The Committee recommended the establishment of 'relations of confidence co-operation' between the World Federation of Democratic Youth and non-Communist bodies such as international organizations of Christian Youth, the Y.M.C.A., the International Union of Socialist Youth, and others. It called for the closest possible contacts with UNESCO. And it declared as its most important task the achievement of unity among the broadest masses of youth regardless of political opinions, religious beliefs, or social background, for the purpose of securing the vital rights of youth to peace. Indeed, on the international level the World Federation of Democratic Youth demonstrated its good will by annulling its expulsion, decreed in 1950, of the Yugoslav Youth Organization and by suggesting that normal and friendly relations be resumed with certain Scandinavian youth organizations.

These are welcome signs of relaxed tension between the nations. It would, however, be premature—if not dangerously wishful thinking—to assume that on the internal plane the training

education of youth inside the Soviet orbit has as yet abandoned any of its militant tenets. At a national conference of teachers and educational workers in Prague, the First Secretary of the Czechoslovak Communist Party, Novotny, spoke on 4 August about the Communist Party's responsible task of changing not only the economic system but also the individual. 'Our foremost task,' he emphasized, 'is to select those elements of human knowledge which have a bearing on the upbringing of a true Communist human being.' The young must grow into 'devoted fighters for the new order of society'. And the Secretary added: 'We shall never permit our youth to be disrupted by the alien forces of ideological and moral decadence with which the moribund capitalist world is trying to infect them.'

The Communist regime's struggle for control over the minds and hearts of the young in Czechoslovakia, as well as in Hungary and Poland—the three countries forming the subject of this article—is not confined to the educational sphere proper. An influential part is played by the Youth Leagues: their activities are in many ways closely bound up with current and future political and economic developments in Central Europe.

#### YOUTH LEAGUE MEMBERSHIP AND THE PARTY

The Youth Leagues are, in the words of the Polish Workers' Party Secretary Bierut, 'a powerful weapon for the social and ideological education of millions' of young people between the ages of fourteen and twenty-six. The younger ones, from nine to fourteen, are catered for by the Pioneers' Organization, under the supervision of the Youth Leagues. The position of the Youth Leagues in Central Europe was reviewed in detail at three Youth League Congresses earlier this year in Poland, Czechoslovakia, and Hungary.

These Youth Leagues are intended as mass organizations, modelled on the lines of the U.S.S.R. Komsomol whose membership soared from 9 million in 1949 to 18 million in March 1954. The Leagues aim at embracing the overwhelming majority of young people rather than at training an élite. Any tendencies in that direction—and they exist—were emphatically denounced from the platform at this year's Congresses. However, none of the regimes regard the present League membership figures as satisfactory.

In June the Hungarian Youth League, DISz, put its member-

ship at 702,000, which was fewer than in December 1952. recovery from the low figure of 577,000 in May last year is ent due to an intensive pre-Congress recruitment drive. Natural in the other two countries, these 'new' members always inc a large percentage of young people who, upon reaching the scribed age, simply move up from the Pioneers to the Y League. But by no means all do so, and this is of some conce the regime. It is noteworthy that 59 per cent of Hungary's eli youth remain outside the League. The target of 1 million mem set in August 1954, is still a good way off. In the collectiv rural sector DISz representation is particularly weak: not 1 than 10,000 of its total of 200,000 members among peasant yo work on the collective farms. In fact, the figure of 200,00 slightly less than the number of peasant youth who belonge EPOSz, one of the four youth organizations merged into DISz 1950. So there would seem to have been no numerical expansi all of DISz in the countryside during the past five years.

Membership of the Czechoslovak Youth League (CSM) February stood at about 1,116,500, and there had been no inc in five years. The number of CSM groups in the villages h fact declined. In hundreds of villages not even primary orga tions, for which no more than a minimum of five membe constitutionally required, had been formed. The chairman o CSM rejected the idea that lack of interest among the young the reason for the CSM's stagnation. Direct control of rural y through the League is of great importance to the Govern more than half the personnel of the machine and tractor sta consists of young people. The tractor drivers are intended t as propagandists of collectivization. The fact that Youth Le groups at some tractor stations—which do the collective fa ploughing—devote considerable time to helping private farme well does not represent a basic change in policy towards indivi farmers; it is a measure of pure expediency.

The Polish Youth League Executive's Secretary has admit decline in the influence of the League (ZMP). An improve the situation would not be achieved immediately, he said, alth the young people had great expectations of fundamental cha in the work and methods of the ZMP after its January Cong ZMP has over 2 million members, and it claims an increa nearly 900,000 in the last five years. A little over 37 per ce Poland's eligible youth are members. But the percentage in

rural sector is much smaller: out of a total of some 3,150,000 young people in the villages only about 14.5 per cent belonged to ZMP last February. The regime must regard this as far too small an increase since the spring of 1954, when more than 2 million young peasants were reported still outside the ZMP fold.

The Youth Leagues are directly subordinated to Communist Party control, no matter what their nominal position is under their new League Statutes. In Hungary, the reassertion of Party control was, indeed, one of the principal themes at the recent DISz Congress. For Pal Szabo, the peasant writer and still President of the People's Patriotic Front, had gone so far as to suggest last autumn that DISz should belong exclusively to the PPF and not to the Party. Such errors of 'opportunism' and 'right-wing deviation' have since been corrected, and it is now one of the PPF's official tasks to promote the mass adherence of the young people to the Party-controlled DISz.

#### THE ECONOMIC TASKS OF THE YOUTH LEAGUES

The League Congresses in Warsaw and Prague, at the end of January and early February, and in Budapest in mid-June, revealed the failure, so far, of the Communist regime to win youth's wholehearted support. Lack of enthusiasm and political devotion does not, of course, mean that the young do not do as they are told. There are also thousands who respond with enthusiasm to the call. The opening up of new tracts of land, the building of modern industries, the prospect of a career in any field of enterprise, the temptation of privilege and power attract many. To carry through its ambitious and urgent economic programme, however, the regime needs the most active co-operation on the widest possible scale. The Youth Leagues are the regime's invaluable helpers in organizing this support; but, as has been shown, the majority of youths in all three countries are still outside the official organizations.

Agriculture is at present receiving top priority in the three Central European countries. It thus seems to be the sphere of activity most suited to illustrate the importance of the Youth League's help to the regime.

Czechoslovakia is suffering from a chronic manpower shortage. Her agriculture is desperately feeling the effects of the systematic transfer of some 400,000 people to industry. The regime's own experts estimated that agriculture lost one-fifth of its labour force



during the period of the Five-Year Plan (1949-54). The Government has till the end of 1957 to achieve its aim of recruiting 320,000 new workers for the land. The bulk of this new force—some 64 per cent—are to be youngsters of school-leaving age, are to replenish and rejuvenate the farming population. Last year the average age of the Czechoslovak working farmer was estimated at between fifty and fifty-five.

At the end of June the Central Committee of the Czechoslovak Communist Party decided to speed up the collectivization drive. The aim is to ensure the absolute predominance of the 'socialist sector' in agriculture during the next Five-Year Plan, which is to start in 1956. By the end of August 10,000 people living in the country but working in factories were to be transferred to permanent agricultural work, principally to the collective farms. Many passed and, according to the trade union press,<sup>1</sup> scores of factories had not even discussed the Party decision, let alone start to recruit the men. In many places village committees had not even informed the factory managements of their manpower needs. The manpower drive is only one attempt to put an end to what the Party Secretary earlier this year described as the 'most serious difficulties' in the collective farm sector. The new measures will necessarily affect many rural youths who have hitherto travelled to better-paid industrial jobs in town while, at the same time, thousands of 'volunteers' were annually despatched in brigades from the towns to help out on the land. It will also be of concern to rural youth that the authorities intend to be even stricter in future about the rule that no farmer or member of a farming family shall leave agriculture without permission from the village National Committee.

August was also the date by which a further 10,000 young people, including boys who had just finished their term of military service, were required in agriculture; they were to go to the Czechoslovak border regions from which hundreds of thousands of Germans were evicted after the war. By late July a little less than half the required number had volunteered, but ultimately a total of 70,000 youths are wanted. They are to make their homes in the border areas. In the border regions, too, there are large tracts of free land, and young workers are to cultivate half the total of 120,000 (1 ha is approximately 2.47 acres) which the Government plans to add to the country's arable acreage this year. Already

<sup>1</sup> *Prace*, 26 July 1955.

10,000 youngsters are reported to be helping on the State Farms whose 'defects of management' are attributed by the Communist Party Secretary to the Ministry of Agriculture's 'bureaucratic direction'. Though supposedly models in large-scale socialist farming, their losses, through excessive production costs, have been growing year by year. Most of the young workers will have to be provided by the Czechoslovak Youth League (CSM).

In Poland, the agricultural role of the Youth League (ZMP) is equally vital. This year the Polish Government plans to increase agricultural production by 6.2 per cent over that of 1954. It has called for a mobilization of all forces to raise output, especially of cereals and livestock. Moreover, there are some 243,000 ha of waste land to be reclaimed. A year ago more than three times this acreage was still lying fallow. Much of the waste land is held by the State farms which, as Bierut said last January, failed to fulfil their planned tasks in 1954, and which are very short of labour. Earlier this year an appeal by the ZMP is said to have been answered by more than 10,000 youths, but six times as many new workers are wanted, and most of them will have to come from the ZMP. Thousands of tractor-drivers, machine-fitters, veterinary specialists, and agricultural technicians are being trained in vocational schools.

For political reasons, as well, there is need for young blood in the countryside. According to the chairman of the Polish Youth League Executive, the 'exploiting classes' are still enjoying a 'not insignificant influence' on the land, and the ZMP is to be the 'untiring champion of progress' among the farmers. The overwhelming part of Polish farming—some estimate it at 80 per cent—is still carried on by individual peasants who frequently lack capital and equipment. But what percentage of the 800,000 boys and girls—many among them sons and daughters of such peasants—who in recent years left the country for industrial jobs, will go back? How many will voluntarily return to farming at all, let alone start work on collective farms or State farms? The Polish press currently reports departures of families to settle on State farms, especially in the Western territories. Less publicity is given to desertions from such farms.

Hungary has been facing great difficulties in agriculture, though the crisis seems to be abating as this year's harvest is reported to be better than anticipated. Both in 1953 and 1954 there had been a considerable drop in grain production and deliveries; peasants left

the collective farms, many of which were dissolved during 'New Course' era. The collectivization drive received a impetus after the March 1955 Party resolution, and the Party has been reporting a 'healthy development' of the agricultural operatives—the collective farms—after nearly 'two year stagnation'.<sup>1</sup> The target is set high: by 1960, when agricultural production is to be 25 per cent greater than at present, the re intends to have more than half the country's total arable farmed by collectives and State farms. At present the social sector of agriculture comprises hardly one-third.

The Hungarian Youth League (DISz) is expected to play a major part in this 'socialist transformation' of agriculture. The task of DISz in winning over peasant youth for collective farming was one of the main topics at the recent Congress.

Agriculture is, of course, only one of the many spheres in which the Youth Leagues are expected to act as dynamic spear-heads of Communist policy. The League groups are indispensable in industry as pace-setters of work norms and organizers of sports competitions. In the Army and para-military defence bodies, they are relied upon to inculcate 'love of the home-land and hatred of the enemy', as the Czechoslovak Youth Congress was

Under the slogan 'In Defence of Peace' an intensive training of youth in military skills goes on behind the Iron Curtain. Defence games, camping exercises, visits to barracks, instruction for a maximum number of children in swimming, skiing, and cycling all rank high in the curriculum of the Pioneers. The Hungarian Defence Minister and the DISz Secretary were both present at a first National Conference, held in July, of the National Voluntary Defence Association, where they heard its President declare 'We and DISz have the same task: to prepare youth for national defence.' The NVDA is modelled on the U.S.S.R.'s DOS (Voluntary Defence Association) and has its parallel in Czechoslovakia and Poland. In Hungary it aims at a million members and seeks the closest relations with DISz. It organizes shooting contests and motoring competitions, trains glider pilots and parachutists, runs field manoeuvres, and so on.

#### THE ROOTS OF THE FAILURE

Many, and almost identical, reasons for the Youth League's failure to attract larger numbers of young people or hold

<sup>1</sup> *Szabad Nep*, 31 July 1955.

interest have been revealed with ruthless candour in the Central European press and at the Congresses, especially in Warsaw and Prague. These causes are, it seems, not peculiar features of the youth organizations alone. On the evidence of Party, Government, and Youth League spokesmen, particularly in Czechoslovakia and Poland, thousands have been turned into passive robots by the merciless monotony of work, the endless talk of planning and rigid regimentation.

Speaking of the Pioneers, the organization for the youngest members, the chief editor of the Czechoslovak children's paper *Pionýrské Noviny* described the situation in this way: 'The Pioneers' organization is losing the character of a children's organization; it has ceased to correspond to their interests. . . . There is no romanticism in the movement. There are even comrades who, fearing to succumb to bourgeois survivals and ideological deviation, think of eradicating the very term "romanticism".' There is a chronic shortage of suitable leaders for the 600,000 Pioneers, who represent a little over half the eligible child population of Czechoslovakia. The drab world of endless lectures, meetings, and the continuation of school activities holds no fascination for children. They also seem to regard the enrolment ritual and the Pioneer symbols with far too scanty reverence. The slang words they use to describe the ceremony of initiation are frowned upon by the regime. Schoolchildren's extra-curricular activities, such as waste collecting, town embellishing, etc., may have a certain educational and economic value, and the children may even get some fun out of them, but they take up time that ought to be used for studying school subjects. So the Pioneer leaders' reported malpractice of talking grammar instead of politics at Pioneer meetings may either be pure necessity or indifference to the duty of indoctrinating children.

The Youth Leagues, to judge from all available evidence, suffer to an even greater degree from similar ailments: a cold and unfriendly atmosphere at the interminable meetings; mechanical voting for uninteresting production pledges; uniformity of thinking which the Executive seeks to press upon the entire membership; lack of understanding shown by many officials for the real needs of youth; and so on. The regime finds it particularly difficult to make members of twenty and above stay on in the Youth Leagues. Yet the authorities would like the boys to continue even after demobilization, and the young girls after marriage.

The boredom of it all seems to have bred a cynical indifference to the preachings about the new 'socialist morality' among the Youth League members, and it has induced others to seek pleasure where—and not always within the law. It is difficult to assess the real extent of drunkenness and 'hooliganism' among youth at which official spokesmen have expressed concern, especially in Poland and Czechoslovakia. Such evils, to be fought effectively, always receive much publicity in order to invoke public support against them. 'Hooliganism' includes a variety of sins, from sartorial eccentricities of the Central European 'Teddy' variety and their 'perverse' delight in decadent Western thrills to jitter-bugging, down to thieving, acts of criminal vandalism and attacks on peaceful citizens. Efforts to deal with these matters have been going on for years. The Special Commission set up in Poland in 1951 to fight 'hooliganism' has passed thousands of sentences; and plans are in hand to strengthen the police for action.

Such youngsters—both the real delinquents and the merely mischievous, unruly individuals—exist in every country in the world. But the official, time-worn explanation that these features of social disorganization are rotten remnants of a bourgeois capitalist past and are due to foreign influence is hard to swallow even for staunch regime supporters. Did not the secretary of the Komsomol, A. N. Shelepin, last year castigate Russian Youth League members for the very same unworthy activities—and after some thirty-five years of re-fashioning youth in the U.S.S.R.?

It is doubtless distressing to the regime that many persistent renegades from Youth League discipline are to be found in the countryside which would in the past have been described as 'working-class' districts in the big towns. In the country, young people working on isolated State farms or in agricultural co-operatives must find it difficult to adapt themselves to the often inevitable dreariness of life, the lure of dance halls, cinemas, and other pleasures which they could afford in the towns. The regime realizes that it must make a real effort to improve cultural amenities, provide at least adequate hygienic facilities, and rapidly build and repair houses if the youth are to go on to the land and stay there. How much needs to be done even in some major industrial areas was clear, for instance, from a report to the Czechoslovak Youth League Congress by a delegate from Ostrava—the key centre of the country's coal and steel industry—said that some 4,000 apprentices and military

civilian 'brigade workers' in a miners' settlement had no cinema or theatre or even a proper dance hall, let alone sufficient suitable literature. Many of the young people left their jobs. Both in Czechoslovakia and Poland newspapers have warned agricultural recruiting agents against misrepresenting working conditions to would-be volunteers or luring them with promises of pretty cottages with bathrooms, when all they would find is toil on thousands of acres of barren land. Small wonder that parents keep inquiring about working conditions and, as the recent DISz Congress showed, are reluctant to allow their daughters to join rural DISz groups. The Party and Government and all the relevant organizations are making great efforts everywhere to improve the situation.

This picture of the position of the youth organizations in the contemporary scene is inevitably incomplete. The situation in the educational field alone would warrant a detailed analysis. The energy with which the regime organizes the training of thousands of young men and women in every branch of science and skill, especially on the technical side, is impressive. But knowledge without Marxism is, of course, not sufficient. And there have been constant complaints about lack of political indoctrination, especially at the universities. In all three countries the Party has expressed the greatest dissatisfaction with the Youth Leagues' work there. University League members have been criticized for showing little intellectual zeal (in Poland), an intolerably opportunist attitude towards nationalist, right-wing, and pacifist opinions (in Hungary), and for devoting too much time to the League's organizational work instead of improving their minds (in Czechoslovakia). There is also a noteworthy trend in Hungary to urge more and more secondary school children into production jobs. In 1954-5 only 30 per cent of these children were to continue their studies at the university, and this ratio is expected to decrease to 25 or 20 per cent in a few years.

The struggle for the control of the minds of youth in Communist Europe is intense. In all three countries with which this article has been concerned men with Youth League experience or who have had close contact with youth problems are in, or have lately been brought into, influential posts in the Party hierarchy. The Communist regime in Central Europe has only had a few years to turn its youth into the 'new socialist men and women'. The Communist leaders are doubtless sincere in their wish to make

their youth movements 'militant, happy, and fascinating' organizations; but their policies will have to undergo some changes if that aim is to be achieved. It may well be that the communists, by offering to youth new vistas of a world in which 'millions breathe more freely and begin to look with more confidence towards the future', as a Soviet broadcaster put it, persuade many more young people to accept their ideology. The future can tell.

R. P.

P.

## *The Implications of 'Pakhtunistan'*

### *Prospects for Pakistani-Afghan Relations*

THE background to Afghan solicitude for the tribes on the Durand line and their championship of self-determination for them comes from many corners of nineteenth-century history in the days when Afghanistan controlled all the territory west of the Indus. In those days the historical claim is now seldom raised, the advocacy of political independence for others more conveniently meeting the needs of the Afghan purpose.

Nevertheless in so far as the Afghan case relates to a time when Afghanistan once occupied a large tract of country which today is part of Pakistan, the circumstances need to be understood. It should not be forgotten that from 1752 until 1819 a precarious and harsh Afghan authority ruled in Kashmir. A modern pamphlet available from the Afghan Embassy in London contains a map showing 'Pakhtunistan' as occupying the whole of the North-West Frontier Province, which always included the Hazara District lying to the East of the Indus. 'Pushtu is the language of the Pakhtuns; it is also spoken by the 7 million inhabitants of Pakhtunistan between Afghanistan and Pakistan', is the comment in the pamphlet. It is to understand the nature of this curious statement that one should note the context of history.

By 1750 Ahmad Shah, the first ruler of the Afghan Durrani dynasty, had extended his territory from the Oxus to the Indus.

In 1756 he occupied Delhi, defeating the Sikhs after annexing Kashmir in 1752. The subsequent years saw a struggle for supremacy between Sikhs and Afghans. Ahmad Shah later returned the Central Punjab to his enemies but retained control over North Punjab and Peshawar. By 1818 Ranjit Singh, the Sikh, had established his position firmly between the Sutlej and the Indus, his kingdom reaching up to Peshawar in 1837. Once again he encountered the Afghans, the Amir, Dost Mohammed, turning to the Tsar for assistance in the absence of any support from the British in the East. Subsequently in 1849 the British themselves defeated the Sikhs and took over the whole of the Punjab including the territory west of the Indus up to the foothills. There they halted, in the certain knowledge that to move into the tightly packed hills of the country between the Peshawar plain and the nearest areas where the Amir's authority was accepted was to embark on a future of doubt and danger. For in these hills lived a people who have allowed the tide of world affairs to pass them by, content for centuries to regard the blood feud as the foundation of society and a rifle as an adequate passport for infrequent glances at life in the plains to the east.

The people concerned number, not 7 million, but approximately 2,380,000. They may be regarded as covering all the territory from some fifty miles north of the Khyber down to Wana in South Waziristan. In the days of British India only one section of these tribal communities ever really gave the British close friendship and co-operation. These were the Turis of the Kurram valley, a pocket of Shia Muslims surrounded by Sunnis who therefore regarded a loose and friendly British association as an effective form of insurance. Otherwise tribal territory remained a source of embarrassment, providing successive Viceroys with the opportunity to elaborate variations on frontier policy which resulted in frequent military expeditions and a constant drain on life and resources. A significant feature of tribal organization was that the system was not rigidly confined to the country geographically beyond the boundary of British influence, but in places extended into British-India. The same conditions pertained on the Afghan side, it being frequently difficult to define where tribal territory ended and Afghan authority began. The point is important in that, when pressing the modern claim for self-determination for the tribes, the Afghans would deny any involvement of people living within their recognized frontier.



In the light of history we may regard Afghan policy to part, a wistful musing on the past. Though it never claimed to represent greatness it does afford Afghanistan the opportunity to speak of tribesmen as enjoying their part of the fashionable process of leading underdeveloped countries forward to sovereign independence. In 1857 Herbert Edmonds, the Commissioner of Peshawar, wrote to his friend Lumsden, 'The Amir of Kabul is carrying on a diplomatic correspondence with me about the hill tribes here, whom he claims as his subjects. I tell him he ran away from them last January and his giving allowances without taking revenue is just blackmail, and that the Khyberes are independent, as they say they are for themselves.' The comment, with a slight difference in emphasis, equally well have come from the Deputy Commissioner in Peshawar in 1955.

The latter half of the last century saw the Government in India again feeling its way to the east. The Amir, Abdur Rahman, regarded as both a spiritual and temporal leader, was expected to establish authority in the tribal areas; so much so that in order to clear up much obscurity and define the limits of Afghanistan's territorial ambition Sir Mortimer Durand was in 1893 charged with the task of defining a boundary on the map in consultation with the Amir. After a few weeks agreement was reached, each accepting the obligation not to 'exercise interference' in the territories of the other lying beyond the line and professing to accept the agreement as a 'full and satisfactory settlement of the principal differences of opinion which have arisen between them with regard to the frontier'. The obligation not to 'exercise interference' was for many years loosely interpreted both by Afghans and British men. Nevertheless the Durand line effectively served its purpose. At a time when the Afghans could have challenged the geographical frontier and raised the whole question of the tribal relations they refrained from doing so.

That opportunity presented itself after the third Afghan war, first in 1919 when a temporary treaty was signed at Rawalpindi and later in 1921 when the permanent treaty was signed in London by which Afghanistan became complete master in her own affairs. Hitherto Great Britain had retained the right to exercise influence over Afghanistan's foreign policy. This was now yielded. 1921 marked the sovereign independence of Afghanistan. Britain has since merely maintained that Pakistan inher-

identical relationship to her neighbour that pertained in the days of British-India before 15 August 1947. This is 'naturally the view accepted by Pakistan, with the additional authority of the circumstances which enable her to claim sympathy with her co-religionists in tribal country. The Afghans, on the other hand, claim that the Durand line ceased to have validity from the day the British departed.

So far from challenging the demarcation of 1893, Article 2 of the 1921 treaty confirmed it. Confirmation was also inherent in the terms of Article 11, which ran: 'The two High Contracting Parties, having mutually satisfied themselves each regarding their benevolent intention towards the tribes residing close to their respective boundaries, hereby undertake each to inform the other in future of any military operations of major importance which may appear necessary for the maintenance of order among the frontier tribes residing within their respective sphere, before the commencement of such operations.' The only other published reference to tribal conditions at the time was an explanatory note from the British representative in Kabul to Sardar-i-Ala, the Afghan Foreign Minister. This read: 'As the conditions of the frontier tribes of the two Governments are of interest to the Government of Afghanistan, I inform you that the British Government entertains feelings of goodwill towards all the frontier tribes and has every intention of treating them generously, provided they abstain from outrages against the inhabitants of India. . .'

It is on this vague benevolent acknowledgement of an Afghan interest that the Afghans today base their irredentist claims. There is some analogy in the terms of the Anglo-Egyptian settlement of the Sudan when, without any clear idea of the future implication and interpretation, in 1899 it was bravely proclaimed that in the Sudan the British and Egyptian flags should always fly together.

In 1947 the British withdrawal from India took the Afghans by surprise. But once they had realized the significance of events they were quick to reaffirm their theories for tribal self-determination. In this they were assisted by certain curious circumstances which involved Indian interests in these areas. A paradox of the Indian political scene before partition had been the existence in the North-West Frontier Province of a strong Muslim Congress group around a somewhat militant movement known as the 'Red Shirts'. The explanation lay in the circumstances by which in an essentially Muslim area the status of Muslims, as such, had never been

challenged; and there was therefore never any need for the protection of the Muslim League. Indian nationalism was thus able to assert itself and claim the sympathy and energies of many younger Muslims. From time to time measures were taken to prevent the trans-border tribes, particularly the Mohmands, from falling under the influence of 'Red Shirt' propaganda. In 1947, for a short while in the Province a Ministry of Muslim Congress was led by Dr Khan Sahib. It was however obvious that so small a pocket of India could never have maintained its separate identity if surrounded by Pakistan; and it was in the nature of a last gasp of despair that the Congressmen in the Frontier Province gave their support to the concept of 'Pakhtunistan'. The effect was to create some sense of alliance between Afghanistan and India which lingered on into later years and which has acted as yet another impediment in the development of a normal relationship between Pakistan and India. It is difficult to believe that this factor represented more than a mild exploitation of the play of fear in India; and India has certainly given no official encouragement to the case within the context of recent events.

On 1 April the Afghan Minister in Karachi handed over to the Pakistan Foreign Office protesting at the decision to alter Provincial boundaries in Western Pakistan and set up the Frontier Province Western Unit. The note referred to the interests of both 'occupied and free Pakhtunistan', no distinction being drawn between settled districts of the Frontier Province and the tribal areas. Any decision relating to 'the territory of Pakhtuns is the inalienable right of Pakhtunistan itself. Any encroachment on the territory of Pakhtuns by Pakistan, therefore, is against all the canons of justice and international law'. The approach was naive in that it assumed a situation presenting the tribes as seeking to throw off the fetters of a foreign domination and choose their own path. The facts were very different. On 2 April some 10,000 tribesmen of North Waziristan started to move towards the Durand line with every intention of marching into Afghanistan. The Political Agent at Miranshah only succeeded in persuading them to disperse at the greatest difficulty. An apt comment in Pakistan was to the effect that it would serve the Kabul Government right if they stood up to the consequences of the policy they were pursuing.

Whether through intention or ignorance the Afghans have consistently ignored the true sentiment in tribal territory. In Pakistanis have been able to establish close contacts which

denied to a generation of British political officers before them. The lures of trade, the radio, and a stake in the settled districts are the means by which the former isolation is defeated. Some 20,000 acres of new land to be opened up as a result of the operation of the Kotri barrage are reserved for tribal development. The bazaar in Tonk, South Waziristan, is now the hunting ground of the Mahsuds, generally regarded as the most 'difficult' of all the tribes. Finally, as large a nail as was available could be regarded as having been driven into the coffin of Pakhtunistan when three representatives from the tribes were recently included among the eight nominees which represent the small nominated element in the new Pakistan Constituent Assembly of eighty which met for the first time on 7 July. With direct tribal identification with the Central Legislature the chances of Afghanistan ever being able to assume the mantle of a benevolent nation-builder would seem remote.

There remains the problem of the restoration of normal relations between Pakistan and her neighbour, an issue obviously of close concern to the United Kingdom whether viewed within an international context or as a matter of Commonwealth interest. The Afghan protest at the 'One Unit' decision was accompanied by an attack on the Pakistan Embassy in Kabul and the Consulate in Jalalabad. The passage of diplomatic protests will usually be accepted as the machinery of inter-governmental negotiation in operation. But physical violence or an attack on a national flag, such as took place in Kabul, are invariably the kind of sparks which can release a blaze. This proved the case in Pakistan. For days various societies and organizations, political and industrial, organized 'Hartals'. Processions marched through the streets with bands playing and banners flying. The Pakistan accusation was to the effect that a speech broadcast over the Kabul radio on 29 March by the Afghan Prime Minister, Mohammed Daud Khan, had been followed on 30 March by insults to the Pakistan flag and a violent attack on the Pakistan Embassy, not only with the connivance but with the actual assistance of the Afghan police. On 2 April the Afghan Embassy in Karachi registered a counter-charge to the effect that their Consulate in Peshawar had been attacked at the instigation of the authorities and that the mob had looted the Afghan National Bank and burnt the Afghan flag. In such ways the stupidity of the subsequent 'incident' adds to the difficulty of achieving an understanding on the original and fundamental issue.

At the beginning of May the situation was further complicated by a number of embarrassing offers at mediation from Middle Eastern countries. By the middle of the month the envoys of Egypt, Iraq, and Turkey were in the field. The fact that two registered their solicitude simultaneously, to be followed by the entry of Turkey and Iraq, indicated that Middle Eastern rivalries would merely be reflected in the competition to win. This proved the case, and the envoys departed at the end of the month without ever having come near to effecting a settlement of their mutual differences they were unable to decide. Nevertheless so much of their anxiety should be attributed to a common reaction to the spectacle of two Moslem Powers in violent dispute.

The concern of Britain involves on the one hand an appreciation of the effect of events on the general international scene. On the other hand is the need to support a Commonwealth partner. The position of Britain as the focus of the Commonwealth was maintained when the Afghans raised the issue of Pakhtunistan on a similar occasion in 1948. A Commonwealth colleague would be supported then and presumably will be supported if necessary again. International repercussions are not so simple, for they involve a century-old problem of the balance of power in this corner of the world. From 1840 onwards the Russians had been slowly but steadily expanding their influence East of the Caspian. A plausible explanation of policy was offered in a memorandum written by Prince Gorchakov in November 1864 in which successive conquests by turbulent unconquered tribes into territories were presented as the reason for one conquest always leading to another. By 1865 the process had led to the capture of Tashkent to be followed by the fall of Samarkand in 1868. In that year Henry Rawlinson wrote his notable memorandum, in which he saw Russian expansion towards the Oxus as a challenge to British authority in Asia. For years Britain's schoolteachers called attention of their pupils to Afghanistan as the perfect example of the 'buffer' State; and it is in relation to a buffer State that the persistence of the Afghan-Pakistani dispute is still to be regarded with some dismay within its international context.

There has been no overt indication of Soviet influence in the Pakhtunistan dispute. On the contrary, the Soviet attitude has been correct. Nor can the Afghans be regarded as seeking Soviet support. By no stretch of the imagination could Con-

be said to have anything in common with the dispensation of King Zahir Shah. It is therefore elsewhere that Soviet interests are involved; and the obvious focus of their concern must be in the effect of these events on the recent rapid development of Soviet-Afghan trade relations.

The Anglo-Afghan Treaty of 1921 was in part a trade agreement. Under Articles 6 and 7 Afghanistan was afforded certain trading facilities, such as exemption from customs duty on certain goods in transit through India, where the materials were those which would contribute to 'the strength and welfare of Afghanistan'. These were to be imported 'without let or hindrance by Afghanistan into its own territories from the ports of the British Isles and British India'. Afghan trade agents were posted at Peshawar, Quetta, and Parachinar, and certain provisions were made regarding the railheads for goods into Afghanistan from Europe. Secure in their knowledge of the availability of the port of Karachi the Afghans developed trade with Europe and the West: and it is obvious that if Pakistan was to impose effective economic sanctions, the Afghans would have to turn more and more for trade to the Soviet. Already dock workers in Karachi have protested at having to handle goods for Afghanistan.

Meanwhile Soviet trade and influence with Afghanistan increase. Soviet technicians are at work paving the streets of Kabul, grain stores are being built under their supervision, and the textile industry develops under their patronage. Subsidies account for the low cost of Soviet goods. Oil storage tanks have been erected by the Soviet and the services of an agricultural mission are available. The usual cultural mission has played its part. Finally a comprehensive trade agreement was renewed at the end of 1954 for another year under which Afghan wool, cotton, and fruit is to be exchanged for machinery, cloth, and oil. As time passes industrial development in Soviet territories across the Oxus may well lead to the Soviet itself joining in the search for an outlet to the sea from Central Asia. The quest for a warm water port would certainly be nothing new and Karachi is the obvious direction in which to turn. In so far as political demands might one day flow from economic contacts the Russians' intentions in Afghanistan can hardly be regarded as innocuous; while to strengthen their economic ties with the country would conveniently suit any further ambitions as to opening up trade through the passes to Pakistan.

In previous times the knowledge that the will and power of

Britain was beyond the Durand line gave Afghanistan confidence in her immunity from physical interference from the North. In support, the Saadabad Pact concluded in 1937 between Iraq, Persia, and Afghanistan was an expression of some solidarity in face of a common fear, though it never amounted to a firm commitment to action. Today the Saadabad Pact may be regarded as forgotten, while, with the withdrawal of Britain in the Middle East, it would seem all the more imperative for a British Government to indicate that so far as former policies are concerned, Britain's interest in no way differs from the days when Indian and British troops were near at hand. Meanwhile it would be natural if an obligation to take the lead in effecting an understanding between the two disputants was assumed by Her Majesty's Government. The time would seem ripe for some formal agreement to both sides against encroachment over the Durand line, doubtless the Pakistanis would hold that they were capable of looking after themselves. Whatever method to keep the peace might prove the most acceptable, a reappraisal of the Treaty of 1937 is indicated; and in framing the terms of a fresh understanding, Britain could obviously not stand aside.

## *Malaya's Economic Future*

### *The International Bank Mission's Report*

THE Report of the International Bank Mission which visited Malaya last year is notable not only as the first comprehensive study of the Malayan economy ever made, but also for the encouraging tenor of its findings. The stability of Malaya is of such importance, both politically and socially, in the Far East and South-East Asia that the Mission's judgment on its prospects is of the greatest interest.

The Mission was headed by Sir Louis Chick (former Financial Secretary, Kenya) and consisted of thirteen members, four drawn from the Food and Agriculture Organization. It included representatives from Malaya (the Federation and Singapore) for five months.

January to May 1954, and its Report, consisting of a main report of 330 pages with twelve technical appendices, was ready for issue a year later.<sup>1</sup>

The Mission's main generalized expression of opinion was: 'By and large we are favourably impressed with Malaya's economic potentialities and prospects for expansion.' It qualified this judgment with one general warning: 'There remains, nevertheless, a serious question whether rates of economic progress and additions to employment opportunities can move ahead of or even keep up with the pace at which the population and the labour force are growing.'

It noted that over the past fifty years Malaya's economic growth had considerably outdistanced the growth of population, thereby necessitating large influxes of immigrant labour; in the years ahead the patterns and problems of Malaya's economic expansion were likely to differ markedly from those of the past. The population is now increasing at a rate of between 3 and 4 per cent each year, which would double it in twenty-five years. Moreover, 50 per cent of the people are under twenty-one years of age, which will produce an abnormally high proportion of work-seekers in the next twenty to thirty years (as well as a formidable pressure on the educational facilities).

At present Malaya has the highest *per capita* annual income in the Far East (\$800, or £95). Moreover, by Asian standards, says the Mission,

the Malayan economy has reached a relatively advanced stage, not only in the level of *per capita* income, but also in structure: it is a more varied and more complex economy than is characteristic of most under-developed countries. Power, transport, communications, and other basic facilities are reasonably well developed; a considerable foundation of secondary industry has been established; there is a substantial nucleus of skills and enterprise, standards of public administration are high; and institutional patterns and habits of commerce and finance are correspondingly advanced.

It is not, however, simply a case of maintaining industrial and agricultural expansion by injecting new capital or by other purely economic measures; the Malayan society needs investment as much as its economy. In Malaya, says the Mission,

many factors contribute to make unusually difficult the task of establishing a prudent balance between investment for future production on the

<sup>1</sup> *The Economic Development of Malaya*, May 1955. (Parts I-IV, main report; Part V, twelve technical reports and statistical appendix.



one hand and current expenditure for human welfare on the other. The population is racially complex and heavily weighted with only partially Malayanized residents, and it is growing at an unprecedented pace. . . . Malaya has only recently emerged from the war-time period of social and economic disruption. It is confronted with a newly awakened demand, widespread and insistent in all racial groups, for education to satisfy cultural aspirations and the need for vocational preparation. The necessity for large public expenditure to prevent malaria and other tropical diseases is never-ending, if uncontrolled, these diseases could wreck the best-laid plans for economic development. The people of Malaya have learned the value of Western medicine, and in constantly increasing numbers they expect expansion of the long-established public medical services. The Federation must help its rapidly growing cities to become suitable places in which to live and work; Singapore's overcrowding requires a redistribution of population and a vast housing program. Social, economic, and political situations are beyond question such that the governments must ensure the public provision of comprehensive social services which cannot be provided privately.

In spite of the complexity of the task of balancing social and political needs against urgent economic requirements, the Mission does not recommend any substantial changes in the lines of policy pursued by either the Federation or Singapore Governments. It specifically states that its recommended programmes of public investment 'do not represent significant departures from the recent patterns of public investment in both territories, either in amount or character. . . . The broad lines of priority in our proposed allocation of public investment resources are also similar to the present pattern.' As the International Bank's opinion is presumably the best available, the inference from this judgment that the two Governments are on the right lines may be held to dispose conclusively of suggestions, which have been current in recent years, that radical changes are desirable on such lines as the curtailment of the social services, a more restrictive citizenship and immigration policy, the industrialization of the Federation on Western lines, the writing-down of the entrepôt trade of Singapore and Penang in favour of local manufacturing trade, or the substitution of some other crop or land-use in place of rubber.

Possibly the most important single sentence in the Report is that in which the Mission grasps the nettle of synthetic rubber. It reads:

Cost-data . . . indicate that the production of high-yielding rubber on well-managed estates could continue to compete profitably with synthetic rubber even if prices of the latter were to fall well below present levels.

In fact it sees rubber settling down at a price of 75 cents a lb. or over for some time to come (at the time of writing it is 115 cents) and being able to compete with synthetic throughout the world at a substantially lower price if needs be.

The highest development priority, states the Mission, should be given to maintaining the rubber industry in its present outstanding place in the Malayan economy. It points out that varieties of rubber trees are now available which will produce two or three times as much latex as ordinary strains at greatly reduced unit costs. It devotes a large section of its Report to examining various schemes of replanting (e.g. that advocated by the Mudie Mission and the counter-proposals put forward by the Rubber Growers Association), and it outlines a seven-year scheme of assisted replanting which it considers would avoid the excessive cost (to Government) and administrative complications of the Mudie proposals and the insufficient inducements and sanctions of the R.G.A. scheme. The method it recommends is substantially that which the Federation Government has recently introduced—a uniform grant by Government per acre towards the cost of replanting a stipulated portion of acreage in a given time, with no change in the rate of duty when world prices are low and a much steeper rate when the prices rise above 75 or 80 cents a pound, together with a proportionate contribution to the smallholders' replanting fund.

The Mission also emphasizes the importance of new planting. It is at this point that the Mission enters the field in which its recommendations most noticeably involve changes in the emphasis—though not in the direction—of current policy. New planting to rubber in the Federation is to some extent impeded today by the State Governments' inclination towards food crops. Although the Mission does not specifically say so, it is the case that the majority of the States are predisposed, in any matter of allocating new State land for development, towards proposals for growing more food, especially for padi growing. On the particular question of padi policy, the Mission records the criticism that 'insufficient attention has been given to the relative advantages of expenditures and use of land for other crops.' It implies, in fact, that long-run benefits are being sacrificed to short-run. It discounts, firmly, any idea that the Federation can become self-sufficient in rice in the foreseeable future.

Similarly, the Mission does not favour the present policy of a

guaranteed minimum price for padi. It thinks such money could be better spent on Drainage and Irrigation Department projects for opening new land or on the distribution of fertilizers and improved strains of padi seed to increase the yield from existing fields. The padi cultivator, however, must be protected from competition from neighbouring areas with lower standards of living (because it is not easy for him to change his occupation), and the Mission suggests a moderate import duty (to be paid at the milling stage) calculated each season at a rate within 10 per cent.

It is in the expansion of agriculture in the Federation that the Mission sees the greatest possibilities of new output and employment. It quotes—without accepting it—an estimate which puts the total of usable land now unused in the Federation as high as 50 per cent, and it accepts as 'very conservative' an estimate that in the longer run the agricultural output could be increased by 50 per cent. It does not see any crop or combination of crops promising possibilities for expansion on a scale or at a rate which could compensate for a major decline in rubber production, but it urges very strongly the need for a comprehensive land-use survey. Such a survey would enable full benefit to be derived from the development projects of the Drainage and Irrigation Department—which the Mission thoroughly approves—especially if it was accompanied by more co-ordinated planning between the Departments concerned in rural affairs and more attention in policy-framing to the colonization of new land.

The Mission looks with favour on the prospects of oil palm cultivation, especially by smallholders (which, it remarks, is the normal form of the industry elsewhere, though in Malaya it is almost wholly in the hands of large estate managements), and of cocoa development. It thinks the current deterioration in the coconut (copra) industry is worth checking by replanting or by the rehabilitation of the land by alternative crops. Rather surprisingly, it pays small attention to the prospects of the pineapple industry. This may be due to the fact that the big improvement in the quality of tinned Malayan pineapples, as a result of substantial investment in new plant and in technical training, was not fully manifest until this (1955) season. (The value of pineapple exports in 1955 is likely to exceed that of both the palm oil and the coconut industries.)

One of the frequent assumptions of a visitor to Malaya is that the rural cultivators or fishermen are exploited or ill-treated by

**middlemen and landowners. The Mission's comment on this point is interesting:**

Our impression is that by and large the small cultivator suffers less from inefficient and one-sided marketing arrangements, from usurious credit systems, and from unsatisfactory tenure relationships in Malaya than in many South Asian countries. But . . . improvement in marketing and credit arrangements and in tenure conditions is obviously needed.

It recommends the establishment of a Marketing Division in the Department of Agriculture and of a co-operative bank at the apex of a pyramid of local co-operative credit associations (which are rapidly spreading all over the country) with intermediate or regional associations of existing co-operative banking unions. Similarly, in Singapore the Mission comments that there are not enough markets and recommends a Division of Marketing in the new consolidated City Council and Rural Board. On land tenure, the Mission notes that the standard of land administration varies from State to State and from district to district but that in general it 'falls short of what is necessary in a matter of such fundamental importance'. It recommends, in addition to better staffing and training, a Federal Land Code in place of the existing State laws, and it considers that the present policy in regard to Malay Reservation land should be re-examined, especially in respect of land only sparsely settled. (This is one of several instances in the Report in which the Mission reveals a feeling that State susceptibilities are unduly pampered.) On Singapore land tenure, the Mission records a brisk requirement that title registration should be introduced at once.

Obviously a major complication of the Mission's task was the intrusion of the Emergency. Quite rightly, it largely ignores the complication; as it says itself, 'at present, the Emergency constitutes only a minor disruptive influence on day-to-day economic activity'; but it necessarily queers the pitch when planning the immediate future of such matters as land-use. The Mission notes that it is probably responsible for most of the defects in existing land administration, but it does not appear to recognize the existence of certain overriding security considerations when it looks at the New Villages and their land tenure. It remarks, rather coldly, that 'a more imaginative policy is needed in one respect, the issuance of land titles to resettled persons', and it comments on the deterrent effect of existing terms to New Village applicants for land titles.

The biggest single economic disability of the Emergency is restriction on mineral prospecting. The Mission naturally points to the urgent need of prospecting when considering the future of the tin industry, and it sees the awkwardness in which the industry is placed through not being able to find or acquire suitable bearing lands to take the place of worked-out mines. Generally it does not reckon an expansion of tin production among immediate potentialities of the Malayan economy; in fact, it notes that 'short-run prospects—stockpiling apart—are for an actual curtailment (under international control) of Malaya's output within the next five years from the present 55,000–60,000 tons to something in the neighbourhood of 45,000–50,000 tons.' It adds, however, that 'a growth in export demand to around 65,000 during the decade or so after 1960 may reasonably be assumed' and reviews sympathetically the industry's demand for a reduction of the current rate of export duty, but it does not think the Federation can afford it. As on other questions of land-use, it sees the need for improvement or reconsideration in the policy pursued by State Governments, suggesting in particular that they should set up Mines Committees to deal promptly with applications for licences and permits and that prospecting permits should be given quite except when it is clear that mining in the area would be detrimental to the national interest.

Among other mineral resources of Malaya, the Mission only iron-ore as offering 'any considerable possibilities of development'.

The power facilities of both the Federation and Singapore for the output of which the mines are much the biggest consumers—are spoken of with approval by the Mission, and no alterations are proposed in the existing development plans, with the sole exception of a suggestion that Singapore should have expert consideration given to the expansion of gas capacity.

The transport and communications system of both territories—the extent and efficiency of which to an outsider are one of the most striking features of Malaya—are commended as 'well developed', with a particular word of praise for Malayan Railways. Existing plans for port development are approved, except the North Klang project at Port Swettenham, which the Mission considers should be shelved in favour of a rearrangement of facilities at the present site. The current railway development plans are approved, but the seven-year roads programme is not. Accord-

to the Mission it unduly emphasizes improvements to trunk roads and pays insufficient attention to the need for linking kampongs to main roads. It advocates a cut in the programme from \$126 million (£15½ million) to \$50 million (just under £6 million) during 1955-9. The telecommunications services, it says, 'are now of an exceptionally high standard', and its only criticism of their development plans, together with those of the postal and telephone services, is that they should be spread over a longer period than is now envisaged.

The chapter of the Report on industry is particularly interesting. Apart from the primary industries, rubber and tin, the Mission notes that secondary industry already employs 10 per cent of the working population—a proportion exceeded in Asia only by Japan, India, and Hong Kong—and it implies that its importance in the economy is not as widely recognized as it might be. It notes that secondary development has tended to concentrate on 'protected' lines (e.g. engineering, processing of agricultural and mining products, food, furniture, and printing and building supplies), and that its individual unit is small (40 per cent of it in the Federation consists of persons working on their own account, 10 per cent in Singapore). Heavily capitalized enterprises on the Western model are, it says, precluded by lack of capital, of markets, and of organizational and technical skills; and very low cost enterprises ('sweated labour' enterprises) are precluded by the high level of wages in the primary industries and high cost standards. Malaya's industrial development 'in the future, as in the past, seems likely to follow the pattern of individually small advances over a wide range of industries catering chiefly for the domestic and nearby markets. . . . In this context the outlook is reasonably promising.'

But if secondary industry is to contribute substantially to the solution of the employment problem, it will have to move into internationally competitive lines. Malaya, says the Mission, 'is probably better able to meet this competition than much of the rest of Asia, by virtue of a considerable amount of enterprise, skill, and industrial experience; reasonably satisfactory basic services for industry; a fairly substantial industrial base on which to build and to draw for assistance in further industrialization; and an adequate supply of savings, especially taking into account the large accumulations of fairly liquid funds remaining from the 1950-1 boom'. Nevertheless a number of changes are required, notably a 'gradual

swing-over from family to joint-equity units', acceptance of need for high and precise standards of factory routine and organization, more systematic research into technical possibilities markets, and better institutional arrangements for capital credit. The Mission considers that the Governments should in the provision of the last two items and also in enabling firms find factory sites and possibly should be prepared to use the to help 'marginally' deserving cases.

The main direction in which the Governments should, in opinion of the Mission, assist industry is in expansion of the vocational education facilities. On education the Mission, as already indicated, is fully aware of the enormous demand from all sectors of the community and of the acute political significance of Government's measures to cope with it. (It is in fact the case—recorded by the Mission—that every penny of foreseeable revenue for the next ten years could be spent on education without the whole demand being met.) The Mission, like the Government has to strike a balance between the financially possible and the ideally desirable. Its recommendations for the Federation substantially for action on the lines of the Government V Paper No. 67 of 1954—i.e. better rather than more primary education, more non-academic rather than academic secondary, better language teaching, and expanded teacher training supports extended adult education. For Singapore (where, to keep pace with the demand, 'the Colony would have to build eighteen new schools a year and, to staff them for two sessions a day, recruit more 600 teachers annually') the Mission puts its main emphasis on expansion of secondary facilities, mainly to produce teachers. In addition, it calls for the extension of primary education from eight years (up to fourteen), the expansion of non-academic secondary, and a vigorous programme of adult education. If a second teacher-training college is required, it says, as soon as possible, and it notes that 'much more needs to be done' to improve the quality of teaching in Singapore schools.

In its sections on other social services, the Report finds the public health services of Singapore good (but those in the Federation 'unevenly developed' between States), the hospital services of both the Colony and the Federation (especially of the former) inadequate and much in need of proper planning, and the clinical services in rural areas insufficient. (In the Federation the Mission recommends that in medical services, as also in education

States should be required to pay more of the costs by means of local rates.) It relates its medical findings closely to those on housing. Strong language is used about overcrowding both in Singapore (where it is described as 'appalling') and in the Federation (where 'slum conditions' are mentioned in Kuala Lumpur and 'slum living' in Penang, Ipoh, Kota Bharu, and parts of Malacca), and the treatment of tuberculosis is made primarily dependent upon better housing. For the Federation the Mission requires a much stronger town planning administration, coupled with Federal legislation to introduce comprehensive planning policy. For Singapore it insists on the need for a general plan for the whole island, including redistribution of the population outwards from the city into satellite towns. (It states that more than half the island's population is now living in 'slums or squatter areas'.)

The sharpest words in the whole Report are directed towards the social welfare services of the Federation. After recording a marked confusion of policy owing to unsettled differences of opinion within Government on the three basic questions of whether there should be more public assistance or less, whether welfare services should be mainly official or mainly voluntary, and what responsibility (if any) should rest with the State Governments, and after pointing out that the participation of voluntary agencies is small owing to a lack of definition of the field in which they can operate, the Mission states that

our survey finds many social welfare needs inadequately served or totally unmet and the public services of uneven quality and effectiveness.

Its recommendations are chiefly for clear thinking and for decentralization. In Singapore, the Mission finds that the public assistance programme needs to be given a new clear mandate and be put on a statutory basis, and that the delinquency institutions need improvement.

One of the general impressions that emerges from the Report is that the non-European employer in Malaya is little interested in anything except short-term financial considerations. This emerges both when the Mission is considering the technological capacities of industry and when it is reviewing employment conditions. It notes again and again a lack of research facilities or equipment (not all of which can the Governments be expected to provide), and it comments several times on inadequacies in such matters as factory layout, the care and handling of complex machines, lighting,



ventilation, and so on. In its sections on labour, it notes that 'extremely bad conditions are still common' in Singapore factories both in the sanitary and the safety measures, and that neither the Federation nor in Singapore is there adequate inspection of places of work. It also makes it clear that the same employee is insensitive to the benefits of proper technical training, and it urges the Governments to encourage the introduction of apprentice schemes in workshops and of training within industry.

The Mission draws up a five-year programme of public investment, totalling \$775 million (£91½ million) for the Federation, \$610 million (£72 million) for Singapore. Essentially, say the Report,

our recommendations for Government action and investment are: the fostering and assistance of private development: facilitating the exploitation of natural resources, agricultural as well as mineral; expanding transport, communications, power and other overhead facilities serving private enterprise; providing additional educational, health and other social services; and adopting policies conducive to investment and expansion in the private sectors of the economy.

At no point is there any suggestion of direct participation by the Government in any economic enterprise; even R.I.D.A. is not disapproved.

For the Federation, 25 per cent of the investment is for agriculture, 20 per cent for transport and communications, 11 per cent for power, and 12½ per cent for social services. For Singapore about half of the recommended investment of \$610 million is for social services, with approximately \$190 million on housing and \$60 million on education. The other half is for port expansion, roads and for normal 'metropolitan' services.

In considering how this development programme is to be financed, for, the Mission makes the rather large assumption that Emergency costs will be met from outside. Hitherto Malaya has annually met about a third of her revenues—say \$180 million (£21 million)—to meet the direct costs of the Emergency in Malaya, while the United Kingdom has paid the costs of British armed forces in the country (this about \$550 million—£65 million), and on two occasions, in 1953 and 1954, has given small subventions, of £6 million and £1 million respectively, towards Malaya's costs. The Mission assumes the possibility of assistance from the U.K. sufficient to cover the whole Emergency costs or of external borrowing by the Malayan Government to an equivalent amount. It notes that Malaya

credit should be good enough for borrowing on that scale, though it points out that there is probably \$100 or \$120 million (£12-£14 million) of domestic savings available.

With this assumption—which the Mission implies is justified by the very great political and social importance of the potential expansion of the Malayan economy—the Report envisages a revenue of about \$635 million (£75 million) in 1955 declining to about \$610 million (£72 million) in 1959. Such amounts will be sufficient for the programme recommended for the current year (1955) but will need to be amplified for the next four years. For this purpose the Mission advocates increases in the rates of personal income tax on higher incomes and increases in State revenues from higher land and licence charges and from local rates for certain social services. If the revenue is still not enough, the Mission recommends that company profits tax and certain import duties should go up.

To ensure the proper planning and control of development, the Mission recommends the establishment of a permanent Economic Committee of the Executive Council and the strengthening of the Economic Division of the Treasury to serve as a secretariat for the Committee. It also recommends changes in the financial relationship between the Federal Government and the States, which, it says, has shown itself in the six years since the establishment of the Federation to be unsatisfactory for both parties, for the following reasons:

The executive authority vested in the States and Settlements in many of the most important fields of government, the policy-making powers which they have in practice enjoyed, and the system of lump sum grants have combined to give the States and Settlements considerable power to determine levels of expenditure in these fields, particularly in the social services, without being fully responsible for finding means to defray the expenditure. The division of authority in the Federation Agreement is such that, notwithstanding the powers of control given to it, the Federal Government can be put in the position of having to pay the piper for tunes called by the States and Settlements. Secondly, the distribution of expenditures over a wide field is largely determined by the States and Settlements, though the national interest may require, for example, that more be spent on economic services and less on social services. Thirdly, the system gives little or no financial independence to the State and Settlement Governments, limited incentive for the development of the sources of revenue under their control, and small encouragement to a proper attitude towards economy, for once the amount of the Federal grant has been determined, the benefits of any

saving accrue to the Federal Government. Fourthly, the determination of the amount of the Federal grant is a perennial source of contention. And lastly, planning is made more difficult by uncertainty about the size of the Federal grant from year to year.

The Mission recommends that the Federal lump grant should be discontinued. Instead, specific grants should be made for carrying out of Federal plans in education and medical services and grants for approved State plans in agriculture, forestry, drainage and irrigation, together with grants for capital expenditure on the New Villages. In addition, there should be a *per capita* grant the amount of which should be announced before States prepare their estimates. Any savings from Federal grants should remain with the States, and they should draw their own revenue from certain specific sources, including some (e.g. motor licences) collected by the Federal Government. Some of the less wealthy States will need supplementary grants (Kelantan, Trengganu, Pahang, and Perlis), and there may need to be special grants to States over the period of adjustment. These measures, in the view of the Mission, will give the States greater financial independence and responsibility, while at the same time enabling certain sections of the economy to be more effectively planned and controlled from the centre.

The Mission recommends the creation of a pan-Malayan central institution with private voting equity (and possibly with Government participation initially) to provide loans for industrial enterprises. The Mission also considers that the time has come when Malaya should have its own Central Bank, to take over the work of the Currency Board and to be a focus of pan-Malayan financial guidance and resource. It makes the point that, although the dominant position of the rubber and tin industries continues, the old external orientation of the economy has been modified by the growth of domestic capital and enterprise and the development of indigenous banking facilities. Moreover, with the decline in the flow of external private capital, Malaya will in the future have to depend more on internal savings for investment, which a 'governing' national Bank is likely to promote. It is perhaps questionable, however, whether the economic and political interests of Singapore and the Federation are yet sufficiently identified for such a Central Bank to be efficacious.

J. B. P. I

# THE WORLD TODAY

Volume 11 No. 10 October 1955

\*

## Notes of the Month

### *General Perón's Downfall*

THE downfall of General Perón has shown that the forces below the surface have been more active in recent months than many observers suspected: the mistake made by those who foretold a settled future for General Perón as President of Argentina was to underestimate the strength and scope of the dissatisfied factors, visibly represented by the rebellious armed forces.

It is difficult to follow the details of the movements and counter-movements across the Argentine stage, but it would seem to be significant that the revolution—though it may have been simmering for months right under the President's feet—finally broke out effectively in the provincial cities of Argentina which, under Perón's quite reasonable policy of decentralizing industry, population, and military establishments, have in recent years acquired considerably greater importance, relative to the Federal capital. Córdoba, where the State aircraft factory and many other aeronautical installations are set up, is a leading example. Distances are large in Argentina and decentralization calls for efficient communications, which happen to be one of Argentina's weakest points.

As far as any judgment can be valid before the end of the story, the latest of Perón's acts of political bravado in which he finally overstepped the mark was to suggest the formation of a workers' militia. This was both a threat and an insult to the army and, though General Perón had hitherto maintained a careful balance of power between the workers—as represented by the *Confederación General del Trabajo*—and the army, this was going too far in the army's view. Moreover, the army, and the citizens at large, had seen enough of the *Alianza Libertadora Nacional* and of the way in which it had changed under Perón's tutelage from a genuinely patriotic institution into a gang of armed 'strong-arm boys' of intensely nationalistic sentiments and complete civic or social irresponsibility. The *Alianza*, though not large in numbers, was

the chief inciter of the workers' gatherings to acts of violent arson—such as the burning of churches and the earlier destruction of the Jockey Club and the priceless paintings that it housed—final elimination of the *Alianza* in a manner as violent and as its own recent acts will not be greatly regretted, despite the distressing loss of life involved.

General Eduardo Lonardi announced a provisional Cabinet on 24 September; and, like all revolutionary generals, he has promised elections. Such promises are a matter of form, and the revolutionary Government usually reserves the right to decide when this is ripe for a return to constitutional rule. Given the state of professional politics in Argentina today it is indeed to be hoped that General Lonardi will not hurry too much. A Government of civilians in the civil posts should not be hard to form, since chiefly the less attractive aspects of *Peronismo* that attract Argentina's cleverest men. Since these aspects are fortunately the most transitory and the better achievements will remain, the outlook is not too gloomy.

It goes almost without saying that what Perón did for the workers cannot be undone: the new Government will be inevitably committed to the continuance of many of the principal aspects of *Peronismo*—though clad perhaps in other names—at least for many years. The benefits achieved by the workers can of course be gradually eroded by inflation and unimportant-seeming reforms; but no major changes are likely to occur rapidly by any means, since the secretariat of the C.G.T. is quite as well versed in economics as the Finance Minister is likely to be.

The economic weapon will in fact be the new Government's only effective means of keeping the C.G.T. contented without the late idol. The workers are probably, as a body, resigned to the loss of Perón—though many may regard his eclipse as temporary—but none of them will accept the slightest visible decline in their economic status. It may even be that the new Government will find itself obliged to outbid Perón to keep the C.G.T. in a favourable mood—or, to put it more crudely, to pay for the C.G.T.'s resignation from demanding the return of Perón.

The future of General Perón himself is of course very important. While he continues to live near Argentine territory—in Paraguay, perhaps, or in some other neighbouring republic—and there is a possibility of his returning, as other Latin American ex-Presidents have done, the revolutionary Government is

weak position that can only be improved at considerable economic cost, and Argentina's economy is not so robust these days that it will stand a prolonged or severe strain with impunity. General Perón alive but out of office is in some ways more dangerous than when he was in office, and since in Argentina perhaps more than in any other country in the world the solution of political problems is mainly economic, the least enviable position imaginable is that of the future Finance Minister of Argentina.

*Afterthoughts on the German-Soviet Talks in Moscow*

THE Bundestag on 23 September accorded its unanimous approval to the Federal Chancellor's action in agreeing in Moscow to establish diplomatic relations between his Government and the Government of the U.S.S.R. after Marshal Bulganin's promise to send back the 9,000-odd prisoners admittedly held in the Soviet Union as war criminals, and to examine lists submitted by the German Government containing names of thousands of other German nationals believed still to be held and to release these people if they were found to exist.

From the moment of the Chancellor's return from Moscow there was little reason to expect that this approval would be withheld. After the first rejoicing, on humanitarian rather than political grounds, at the promised release of prisoners, comment within the Federal Republic has on the whole been sober and realistic in drawing up the balance-sheet of the visit, at least from the standpoint of Western Germany. It has been suggested that if it is necessary to ask the question who has been victorious in Moscow, then the answer should be 'the spirit of Geneva', since a decrease of tension has been achieved which, it is claimed, broadens the basis of existing relationships.<sup>1</sup> But there has also been a tendency to suggest that the existence of Soviet and German Ambassadors in Bonn and Moscow can create new problems. It has been pointed out that the Chancellor's critics might argue that the effect of the existence of diplomatic relations between the Federal Republic and the U.S.S.R. could in some way contribute towards making the German Democratic Republic *salonfähig* ('respectable'), although, it is added, such critics should at least suggest what better results he could have achieved than by taking his bold decision in Moscow.<sup>2</sup>

<sup>1</sup> See, e.g., *Frankfurter Allgemeine Zeitung*, 15 September 1955.

<sup>2</sup> *Süddeutsche Zeitung*, 17-18 September 1955.

That not all the arguments used in assessing his achievement in Moscow have been welcome to the Chancellor seems to be indicated by his declaration in the Bundestag on 22 September. Dr Adenauer referred to the exchange of letters between the East German Foreign Minister, Dr Bolz, and the Soviet Government in connection with the treaty signed between the U.S.S.R. and the German Republic on 20 September. Dr Bolz then announced his intention of dealing with the Federal Republic on matters affecting the movement of German travellers and traffic between East and West Germany. The Federal Chancellor told the Bundestag that he had asked the Western Powers to point out to the Soviet Government that they had themselves undertaken special responsibilities for inter-zonal traffic and traffic to Berlin.

During the Moscow talks the Soviet authorities raised two matters of seemingly lesser importance which have so far received relatively little attention within the Federal Republic or abroad. On 13 September Marshal Bulganin made a short speech<sup>1</sup> on the subject of Soviet citizens in the Federal Republic. He said that there were still more than a hundred thousand Soviet citizens described as stateless persons, in the territory of the Federal Republic, some of them without permanent work, domestic means of subsistence. Moreover, intolerable attempts were made to use some of these persons for political purposes. This situation was, in the Soviet view, abnormal and contrary to the principles of humanity and the freedom of the individual. Drawing the attention of the delegation of the Federal German Government to this, the Soviet Government expressed the hope that it would take the necessary steps and would co-operate in the repatriation of Soviet displaced citizens. According to Heidegger<sup>2</sup> the German delegation agreed to permit any Russian citizen from the Federal Republic who wished to do so to return to the Soviet Union and undertook to secure clarification of the position of those remaining, and it has invited a Soviet representative to Bonn for this purpose. It is, unhappily, easy to find difficulties arising about the definition of the term 'Soviet state citizen', and consequently increased anxiety and insecurity among thousands of displaced persons now under Federal German jurisdiction.

<sup>1</sup> *Pravda*, 14 September 1955; B.B.C. Monitoring Reports: Supplement to the Summary of World Broadcasts, Part I, No. 657, 16 September 1955

<sup>2</sup> *Frankfurter Allgemeine Zeitung*, 17 September 1955.

In his speech in Moscow Marshal Bulganin said that it was the Soviet Government's duty to defend even those citizens who had acted badly towards their motherland; he hoped that they would change their ways, and they would not be punished harshly for their misdeeds. These words have been followed by an amnesty declared by order of the Supreme Soviet for Soviet citizens who have been drawn into collaboration with the occupying forces through ignorance or cowardice. The amnesty also absolves from responsibility Soviet citizens living abroad who surrendered or served in the German army, police, or propaganda department or those who have occupied posts in anti-Soviet organizations, provided they have redeemed their sin by patriotic work for the motherland or have admitted their error.<sup>1</sup>

During the Moscow talks the Soviet Foreign Minister, Mr Molotov, drew the Federal Chancellor's attention to the fact that large balloons with loads of propaganda attached to them had recently been sent up from West German territory and were dangerous to aircraft flying on Soviet domestic lines and on international lines across the territory of the U.S.S.R. and several European States. He said that on 16 August the United States radio in Munich had openly admitted that such balloons were released by the American 'Crusade for Freedom Organization'. The Soviet Government expected that the necessary measures would be taken in the Federal German Republic to put an end to these actions and remove the danger created by the balloons to aircraft. This second Soviet *ballon d'essai* carries with it no humanitarian implications, though it could equally cause embarrassment to a sovereign Federal German Republic in treaty relations with the Western Powers and in diplomatic relations with the U.S.S.R.

### *Some Wider Aspects of the Cyprus Problem*

THE destruction of so much Greek commercial property by the Istanbul mob on 6 September came as a deplorable cadenza to the three-Power talks in London; but it will not have been in vain if it draws attention to some realities of the Cyprus question which have been overlooked by some of those who have recently written or spoken about it.

It is generally agreed that the principle of self-determination is much more easily applied to a territory with a homogeneous population than to one whose population is mixed; but it is not so

<sup>1</sup> *Isvestia*, 18 September 1955.



obvious that in the latter case the majority principle is not applicable, if the question gets raised to the level of a national dispute. Once the Greek Government had allowed Opposition to drag it into the Cyprus question it was inevitable that the Turkish Government would become similarly involved. In Cyprus itself, as is well known, the Turkish community is numbered by nearly two to one, but it is not always remembered that in the world at large Turks preponderate over Greeks by more than two to one; and it is self-evident that in the power relations of the Eastern Mediterranean Turkey counts, and will continue to count, for more than Greece.

The U.S. defence departments, who have done so much to strengthen both Greece and Turkey during the past ten years, would be the first to affirm that in any great-Power conflict in the Eastern Mediterranean Turkey would be a more reliable partner than Greece—from her geographical and historical situation, the dour character of her soldiery, and from the almost 'inhomogeneous' nature of her foreign policy and governmental structure compared with the more mercurial Greeks.

For U.S. politicians, with a Presidential election looming on the horizon, there will be a temptation to court the considerable Greek-American vote, provided that the Greek Government can resist the temptation to withdraw into neutrality along with Yugoslavia. In any case, we are no longer so responsive to the stratospheric idealism of a Wilson or a Balfour: in this down-to-earth world President Eisenhower's Government is likely to pay more heed to the realities of the power situation than to the equivocal abstractions of 'self-determination'. The Western position in the Eastern Mediterranean could hardly survive the strain of another lifetime where, as now in Cyprus, British authority was vilified and undermined while it stood, self-interested, certainly, but also disinterested. Solon in ancient Athens, holding a shield between two contending factions that knew not the meaning of compromise.

The attack on the Istanbul Greeks' property was set off by reports of a dynamite attack on the Turkish Consulate at Salonika. A week later the Greek authorities there arrested a Turkish watchman at the Consulate on a charge of faking this incident, and at the time of writing it was not clear whether it should be regarded as the act of an *agent-provocateur* or whether the Greeks were trying to evade responsibility. In any event, however, the professors of Athens University and others who a year ago initiated

he Enosis demonstrations on the Greek mainland bear an ultimate responsibility for the subsequent straining of relations with Turkey. Greeks, if anyone, have had the opportunity to learn by experience to know the Turkish temperament, and might have been aware of the paradox that, while demonstrations may be made against British or American official premises with impunity, even if accompanied with violence, to offend the dignity of a lesser Power such as Turkey or Egypt is to invite reprisals on a scale out of all proportion to the original offence.

The inactivity of the Istanbul police during the riots is no cause for surprise, for it had a precedent ten years ago when the relaxation of the Turkish wartime censorship had encouraged the appearance of more outspokenly left-wing publications. Their presses and the bookshops which sold them were forthwith sacked, without any intervention on the part of the police; and the Turkish Government excused the act as an expression of democratic sentiments. On the present occasion Communists have been accused of responsibility, although previously Turkish publicity had boasted that in Turkey—unlike Greece!—Communism was firmly held in check, almost to the point of non-existence. Violence and extravagance of language are the everyday concomitants of politics in this part of the world, where Western liberalism is no more than a veneer thinly laid over older habits.

The Istanbul Greeks have paid a grievous price for Athenian rightmindedness (which seems to have learnt nothing from the disaster, since it exculpates itself by throwing all the blame on British policy); and they may not have reached the end of their tribulation. If it is the manifest destiny of the Cypriot Greeks to be united with their 'motherland', even moderate and responsible Cypriot Turks are convinced that in the event there would be no satisfactory future in the island for themselves. Would Greece be the gainer if the Turkish Government should eventually repeat the exchange-of-population gambit of the nineteen-twenties and as may be foreshadowed by this month's incidents) should move to evacuate the Turkish minority from Cyprus—expelling in return the Greeks from Istanbul?

### *The International Monetary Fund*

THE annual meeting of the International Monetary Fund, held this year at Istanbul from 12 to 16 September, provides an occasion for international consultation on monetary policy and foreign

exchange policy. The Fund is very directly concerned in the problem of the convertibility of currencies. The Bretton Woods Agreement, by which the Fund was instituted and is governed, expressly forbids 'restrictions on the making of payments and transfers for current international transactions' (Art. viii(2)), and convertibility simply means the absence of such restrictions. This prohibition is suspended by Article xiv(2), 'in the post-war transitional period for any member country till its balance of payments can, in the absence of such restrictions, be settled without depending upon the resources of the Fund. No limit has ever been put to the post-war transitional period', and the United Kingdom is relying on Article xiv(2), presumably on the ground that, if restrictions were withdrawn, its monetary reserves of gold and dollars would be in danger of exhaustion. Starting five years after the initiation of the Fund (and thereafter annually), any member still imposing restrictions must consult the Fund year by year as to their further retention.

The primary purpose of exchange control is to restrict payments other than for current transactions. But it may be convenient to put restrictions on current payments in order to facilitate the enforcement of restrictions upon capital payments and transfers. This has been done by the United Kingdom: a series of agreements made with foreign countries, dating from the war, allowed the payment in sterling for imports from them, but precluded the use of this sterling by the country receiving it for any purpose other than payment to the Sterling Area for exports to that country or for current transactions. This restriction has been progressively relaxed so that now the sterling received by any country outside the Dollar Area can be used to pay for exports from the Sterling Area to any other country outside the Dollar Area. The one step necessary to establish convertibility is the release of this sterling to pay for exports from the Sterling Area to the Dollar Area, for a sterling accruing to foreign hands could then be used as an equivalent of dollars.

It is generally recognized that the position of sterling as a medium of payment in international trade is still so predominant that it will be for the United Kingdom to take the lead in a move to convertibility. And for several years past the annual meetings of the Fund have been the occasion of conjecture as to the probability of this happening. But Mr Butler in addressing the meeting on 14 September made it clear that the British Government does

contemplate any early move. 'We must first go through the arduous process of strengthening our internal and competitive position. Thus my Government has taken no decision upon the timing of the convertibility of sterling, nor upon the nature of the exchange arrangements after that date.' He has recently adopted measures in the region of credit for restraining the inflationary tendency which has been adversely affecting the British balance of payments, and we are advised to wait till the effects of these measures have begun to be felt.

Meanwhile the International Monetary Fund has in its recent annual reports expressed itself willing to accord liberal treatment to applications for drawings by members on its resources in support of the establishment or maintenance of convertibility. The primary purpose of the Fund is to facilitate the maintenance of members' money units at their agreed parities with gold and with American dollars. Its resources are intended to supplement the members' monetary reserves, but the drawings of any member are limited to certain proportions of the quota based on the member's subscription to the capital of the Fund. Article v(4) gives the Fund discretion to waive these limitations, and thus enables it to grant the liberal treatment which it promises.

The Fund introduced in 1952 a system of 'stand-by' arrangements to meet the case of a member which does not need an immediate advance, but wishes to embark on a policy (for example of convertibility) which may give occasion for one. A stand-by arrangement gives the country a firm option to obtain such an advance. It may be compared with the American credit made available to the Bank of England to facilitate the return to the gold standard in 1925.

Any modification of the par value of a member's money unit is allowed only in case of a 'fundamental disequilibrium', and, once the changes made (whether increases or decreases) have aggregated 10 per cent of the initial par value, any further change requires the concurrence of the Fund. Since the devaluation of 1949 any change in the par value of the pound sterling would require that concurrence.

The weakness which has developed this year in the British balance of payments seems to have led to some speculation abroad on a fall in the value of sterling. The speculators, in supposing that a measure of devaluation would be a remedy, have completely misconceived the nature and causes of the weakness. Mr Butler

most emphatically denied that any such measure was contemplated. A mere denial of an intention to alter the exchange value of money unit does not carry much conviction, because the very moment the intention is admitted it has to be put into effect: at an interval would be a gift of indefinite amount to speculators. But Mr Butler went further than a mere denial, in insisting that the country would take steps to strengthen its internal position. The actual steps taken in recent months to tighten credit are a confirmation of his statement, calculated to give confidence and to dispel the illusions of the speculators.

Perhaps the speculators did not really think of a substantial devaluation, but only of a widening of the spread between the buying price and selling price of dollars. Article iv(3) allows a spread of 1 per cent from parity in each direction, and the existing spread of \$2.78 to \$2.82 to £1 could therefore be extended to \$2.772–\$2.828 and reduce the value of the pound by .8 of a cent, without seeking the concurrence of the Fund. Had devaluation been thought desirable, this would not have been a very helpful contribution towards it. Mr Butler no doubt had it in mind when he said, 'We do not contemplate any early move on any—repeat *any*—aspects of the exchange front.'

At the meeting Mr Louw, representing the Union of South Africa, raised once again the question of the dollar price of gold. The American delegate, Mr Randolph Burgess, opposed any rise on the ground that it would be inflationary. Mr Butler pointed out that a rise in the price of gold would help the balance of payments of the Sterling Area, but did not support immediate action.

This question has become a hardy annual. Gold producers, a large proportion of whom are in the Sterling Area, do feel grievance in that their product is the only one not raised in price by world-wide inflation. At the same time it may be argued that the greater part of the demand for gold springs from the monetary policy which makes it the medium of international payments. The Federal Reserve Banks and other central banks create this demand by undertaking to buy all gold produced at \$35 an ounce or the equivalent price. If gold production became so unprofitable that the world's monetary authorities ran short of gold there would then be a case for raising the price; in other words, for a general proportional reduction of the gold parities approved by the Fund.

## *The Sudan for the Sudanese*

### *The Threshold of Self-Determination*

THE time for a constitutional decision by the Sudanese on their country's future is approaching. On 16 August the Sudanese Parliament approved a resolution 'that arrangements for self-determination be put in motion'. There was no division; when the motion was put by the Speaker it was passed by unanimous acclamation. What this decision means in terms of the Constitution is that under Article 9 of the Anglo-Egyptian Agreement of 1953 the transitional period is ended: under Article 10 the Government should now prepare a draft law for the election of a Constituent Assembly, to be submitted to Parliament for its approval and thereafter to the Governor-General for his consent with the agreement of his Commission; then detailed preparations should be put in hand for the process of self-determination, including safeguards assuring the impartiality of the elections, which are to be held subject to international supervision. Under Article 11 the armed forces of Britain and Egypt must withdraw from the Sudan within three months of the passing of the motion. Article 12 lays down the twofold duties of the Constituent Assembly, to decide the future of the Sudan as an integral whole, and to draw up a new Constitution. The choice of the Assembly is limited to the alternatives of a link with Egypt or complete independence.

This is the programme for self-determination which the Sudan now faces and, with the unhappy exception of the Southern provinces, faces with almost complete unanimity. When Sayed Ismail el Azhari, the Prime Minister, addressed the huge crowd outside the Government buildings after the passing of the motion for self-determination, he said that he hoped to lead the people to independence and complete sovereignty and the crowd roared its approval. His pronouncement followed many similar pronouncements which he and his Ministers had made in recent months throughout the Sudan and in Cairo and elsewhere, and it reflected previous decisions by the parliamentary party of the Nationalist Unionist Party and its Executive Committee to support the complete independence of the Sudan. A year ago not many observers would have forecast with confidence that the Prime Minister and his party would occupy thus the platform of independence for so long occupied exclusively by the Umma Party. Their ties with and

obligations to Egypt seemed too strong for them to breatheless they have found the courage and strength to do so doing have gone far to unite the Sudan behind the issue.

For the whole Sudan, people and politicians alike, the has been 'the moment of truth'. At the time of the Cairo Agreement the true motives and aims of all those affected by it, with one exception, still veiled. The Sudanese politicians in what was a rather uneasy agreement on the primary aim of getting 'freedom' from British control. The Sudanese people as a whole had not yet been brought face to face with the need to decide their future. The Egyptians supported the anti-British policy also the plan for self-government on the assumption that the British were removed a grateful Sudan would fall into their hands. The British alone of the negotiators had no reservations. They were true to their aim of securing freedom of choice for the Sudan. They had come to believe that the true wishes of the Sudanese would only be revealed by letting them 'go it alone'; they had always estimated that less than 10 per cent of the Sudanese would choose union with Egypt. The victory of the N.U.P. did not clear the air immediately; most British observers could not help but find el Azhari's policy was if not in favour of Egypt at any rate not unfavourable towards her. Few of them had taken at its face value the able dictum, often stated by el Azhari and repeated by his supporters, that the Sudanese must first get rid of the British before they would then be able to deal with Egypt. Equally, the Egyptians chose to ignore this statement of intention; they had regarded the victory of the N.U.P. as a vote in their favour and the Egyptian influence on the Sudan was always so faulty that in Cairo people and public alike assumed that the great majority of Sudanese wanted union with Egypt. If the British failed to accept the Egyptian position, Egyptians were deceived by el Azhari's stated intention, for el Azhari himself like other nationalist leaders before him has in the past remained true to what he announced publicly as his plan and he has spent the past year moving towards the stage of independence and taking the measure of Egypt.

This reshaping of N.U.P. policy took place gradually. When the Prime Minister spoke at the opening of the Third Sudanese Parliament in February, he did not go beyond a concise statement of policy, a policy which had shown close adherence to the terms of the Agreement. He pointed to the completion of Sudan

in the Sudan Defence Force, the police, and the administration; he stressed how the Government had worked to obtain the confidence of the people themselves by making its rule a truly national one; he told how he and his Ministers had travelled abroad to make known the new identity of the Sudan. To the end of fostering national unity he and his Ministers devoted considerable time in touring the country, using the technique of personal appearances and large loyal rallies backed by efficient propaganda. These tours gave el Azhari the chance of feeling the pulse of the people and must have done much to convince him, if he did not know it already, that few of the mass of the people would accept union with Egypt. This feeling had always been there, but only the followers of the Umma Party felt strong enough to express it. Now, however, that Sudanization was completed and the British had been replaced in all influential posts, those who called for independence were no longer liable to be tarred with the imperialist brush and could speak freely. The Khatmia element in the Cabinet under Sayed Mirghani Hamza were the first to force this issue to the point of resignation. Thereafter the Prime Minister had an uneasy time holding together the incompatible factions of those N.U.P. men who now wanted independence and those under Sayed Mohamed Nur el Din, the Minister of Works, who wanted a link with Egypt. There was a period of intense manœuvring and bickering until a position of truth was achieved with the dismissal of Sayed Nur el Din from his Ministry. El Azhari and Nur el Din had long led different factions within the N.U.P. and a showdown between them had to come.

#### EXTERNAL INFLUENCES: BRITISH AND EGYPTIAN

There were of course external influences which contributed to this swing to independence. On the part of the British, and of the Governor-General in particular, there was a scrupulous adherence to the terms of the Agreement, and when Sayed Ismail el Azhari paid an official visit to London last autumn the British Government was able to convince him and his Ministers of Britain's friendship for the Sudan and her firm intention not to interfere in the Sudan's freedom of choice. On the part of the Egyptians, by contrast, there had been constant attempts to interfere in the Sudan's internal affairs, and gradually the Egyptian connection became less and less attractive. The eclipse of General Nagib had much to do with this; his personal magnetism, his con-



nection with the Sudan, and his adroit handling of the A had all attracted many Sudanese to the idea of a link wi and, as long as he remained in power, the N.U.P. con explore ways and means for creating this link, possibly by High Council for the two countries covering higher p respecting local autonomy. His removal by the milita alienated Sudanese opinion, which has a genuine and d dislike of military dictatorship. Finally, on the vital matt Waters the Sudanese Government came up against the l at their toughest; only after a period of hard bargaining speaking did the Prime Minister bring back in July a wri made by Egypt to the effect that the surplus Nile water after the construction of the High Dam at Assuan shou vided equally between the two countries.

The decision of el Azhari and his party for independ infuriating to Egypt and touched off a spate of vitriolic pr from Cairo against el Azhari, who was portrayed as a trait imperialist. Nur el Din and his handful of followers w and dissident and foolish Southerners were flattered and to come to Cairo to join in the campaign against el Government. Matters reached a climax when the Prime visited Cairo by invitation to attend Liberation Day celeb July. In a series of meetings there with the Revolution he and his delegation endeavoured to explain 'the tend true desire of Sudanese public opinion towards the inde of the Sudan, while maintaining relations of friend brotherhood with Egypt'. The press campaign against t tinued unabated, and when he returned to Khartoum he he had been treated in a way which would have led to t ance of diplomatic relations between two sovereign count

In preparation for the initiation of the process of self-de tion discussions were begun between Britain and Egypt lomatic level about the composition of the Commission under Article 10 of the Agreement to supervise the elec the Constituent Assembly. The British side took the vie would be inconsistent with the Agreement, which stipul the elections shall take place in 'a free and neutral atmo British and Egypt to be represented on the Commiss Egyptians, anxious to keep a close watch on the Sudar doubt remembering the benefit they gained from a co majority on the Governor-General's Commission, insi

Britain, Egypt, and the Sudan should be represented. When no agreement could be reached, the British accepted an Egyptian suggestion that the composition of the Commission should be left to the Sudanese Parliament. Sayed Ismail el Azhari revealed in a speech on 1 August, on the occasion of the Kurban Bairam, that he had already protested to London and Cairo against British and Egyptian representation, and when the matter was put to Parliament both Houses voted in favour of having neither the Condomini nor the Sudan represented on the Commission, Sayed Mohamed Nur el Din being almost the only dissentient voice. Even this step to ensure the impartiality of the Commission was not sufficient to allay the growing anxiety among Sudanese that an election might be rigged by outside influence, and there was widespread support for the idea of a plebiscite to decide the future of the Sudan instead of the Constituent Assembly. This idea was not a new one, having been canvassed before the Agreement. All parties and leaders were agreed on this course, and on 29 August Parliament approved unanimously a resolution to the effect that it was 'of the opinion that a direct plebiscite is the best method of ascertaining the true wish of the Sudanese as regards self-determination'. This resolution has been passed to the two contracting Governments. Prior to this the Minister of Social Affairs, Sayed Yahia el Fadli, had made an appeal to the two Powers to declare the independence of the Sudan if the Sudanese Parliament agreed. These proposals involve a change in the procedure laid down by the Agreement, and it is not possible to say at the time of writing what will be the Egyptian reaction to them.

Egyptian treatment of the Sudan, under any recent Government, has always seemed crude and unreal; the only imaginative touch was given to it by General Nagib who sought to win the Sudanese by giving them what they wanted by way of the 1953 Agreement. Since then the Revolution Council has hedged consistently on the Agreement and endeavoured to make certain of Sudanese adherence by almost any means. Typical of this at the highest level was a statement made by Air Commodore Zulficar to al Mussawar at the end of May when he defined the independence which the Sudan might choose as of three types: isolated independence, in which 'colonial' Governments would come to influence Sudan policy; separatist independence protected by alliances or economic or administrative controls; or 'true independence' safeguarded by a constitutional link with Egypt. Such a

statement was most improper coming from the Egyptian of the Governor-General's Commission, and the Ambassador was summoned to the Foreign Office to strong protest. At lower levels Egyptian methods have done to the grossest propaganda by press and radio in Cairo and the Egyptian Government did nothing to curb. Direct responsibility for this lay of course with Major Salah Salem as Minister of National Guidance and Sudan Affairs. A press report from Khartoum has stated that when el Azhari was in Cairo in July he discussed with the Egyptian Prime Minister that friendly relations could be established between the two countries on the following conditions: Major Salem must relinquish his portfolio for Sudan; Egyptian financial support for Nur el Din must cease; there must be no further radio attacks on the Sudan or interference in Sudan's affairs by Egyptian officials; there must be no bribes to Sudanese communities such as those paid recently to certain Southern tribes; finally, Egypt must agree to recognize Sudanese independence, if necessarily unilaterally, though not thought that Britain as the other Co-dominus would do so if she were asked to do so. When the Sudanese Prime Minister returned to Khartoum and proceeded with his declared policy of putting the motion for self-determination, the British Government at last saw the writing on the wall. On 25 October Major Salah Salem was granted leave of absence and his portfolio was taken over by the Prime Minister who later appointed another officer to his portfolio. Since then there has been a marked change in the tone of the Egyptian press and radio towards the Sudan; it is much too early to say whether there has been a change of heart. The Egyptian public have been trained for so long on the idea of the 'Unity of the Nile Valley' that the new idea of a free and independent Sudan needs time to sink in.

#### EFFECTS OF SUDANIZATION OF SERVICES

If the British have maintained a scrupulous observance of the 1953 Agreement at the diplomatic level, they have also done the same at the administrative level within the Sudan. Sudanization, however much it may have conflicted in its speed with individual conscience, was accepted with goodwill by British officials and put through with a minimum of rancour. On the part of the Sudanese it was inevitably accompanied by numerous British utterances; it was perhaps only natural that the re-

the British had to be portrayed as a Sudanese nationalist achievement rather than as an act of grace on the part of Britain. There was a tendency to blame the British for exacting hard terms of compensation, and el Azhari was reported as having said in Lahore on his way back from the Bandung Conference that the British members of the Sudan Service had preferred to accept attractive terms of compensation rather than continue to serve the Sudanese Government. The Sudanization Committee, however, had given them little option. It had interpreted its brief to Sudanize any posts which might influence the free exercise of self-determination in the most inquisitorial manner, and had put the removal of senior British officials in any department above the requirements of efficiency. By July of this year 1,025 of the 1,200 British officials who were serving when the Sudanese Government took office in February 1954 had left the Sudan. Of these 835 had been given no option but to go, either because the Government had Sudanized their posts or because they reached the end of their contracts and were not given the opportunity of renewal; only 190 officials resigned from posts not already Sudanized and the Government did not attempt to induce them to stay.

This wholesale removal of the British threw a great strain on the civil service. There were, it is true, a number of fairly competent and conscientious Sudanese civil servants, but they could hardly prevent standards from dropping because they at once had far more work thrust upon them than they had the time or ability to cope with. On top of them were Ministers most of whom were inexperienced in their subject and even incompetent, and whose activities provided a constant source of rather unprofitable ammunition to the Opposition in the Sudanese Parliament. It was not difficult for the Leader of the Opposition in his speech opposing the motion of thanks for the Governor-General's Speech to dub the Ministry of Works under Sayed Nur el Din as the Ministry of Waste. It was in this transitional period, when the Sudanized civil service was finding its feet, that the Sudan could have done with senior British advisers, but only at the last minute and then only in two or three cases was this realized. Instead the Government endeavoured to recruit the experts which the Sudan needed from a variety of countries, but not from Britain.

The Sudanization of the Administration did not have any ill effect immediately on the general state of public security and good order. In the North the Sudanese administrators were well re-

ceived in their new and responsible posts. They were glad to shoulder the responsibilities for which they had been trained, and the mass of the public was ready to give them a fair chance. This was particularly true in the North. In the South also for a time all went well. It is true that not many Northern Sudanese administrators had been posted to the South before the hand-over, but there were some, and the remainder, although young and inexperienced, took with them a determination to do their best for the South. They were, however, faced with a severe test and they were doubly unlucky in not entering on the inheritance of peaceful and uncomplicated administration which would have fallen to their lot only a year or so earlier; by the time they took over, the waters of the South had been muddied. It is true that there has always been an ancient antagonism between North and South dating from the days of slave-raiding—an antagonism closely resembling the relation between Egypt and the Sudan in which the northern neighbour looks down on the southern neighbour as an inferior. The causes of this antagonism, however, lie far back in history and it is an over-simplification to ascribe to it the trouble which has recently afflicted the Southern Sudan. The South has unfortunately, ever since the Juba Conference of 1948, become a pawn in the game of Sudanese politics. At that Conference Northern delegates were alleged to have tried to persuade the Southern delegates, most of whom were officials, to join the North on the simple ground of getting more pay. The South had always been run at a lower level of wages than the North, a level corresponding more nearly to Uganda and reflecting its low productivity. Thus the South has tended to look on the North as an Eldorado of high wages and it has never been difficult to dazzle it by promises of better prospects. In the years since the 1953 Agreement many have dabbled in the dangerous game of trying to bribe the South, and their efforts have gone far to undo all the good accruing from the incorporation of the South in the Legislative Assembly and later in Parliament. The N.U.P. went to considerable trouble to win seats in the South at the 1953 elections, and el Azhari himself went to the South on an electioneering tour. Simultaneously Major Salah Salem toured the South, carrying out open propaganda for the N.U.P. and for Egypt. Apart from his meetings and promises, his hedge-hopping exploits in the plane which carried him, together with the visit of one of the Egyptian Air Force's Lancasters to Juba, seemed designed to portray Egypt to the

h as a military Power. Egypt made other attempts to win South: boys from Southern tribes were taken off to el Azhar appear dressed incongruously as religious students; a dis- chief from the Amadi district was taken to Cairo and fêted. ese manœuvres had an unsettling effect on the South, more obably on the young Southern intelligentsia than on the rvative tribes who needed more time to grasp how affairs changing. The Sudanese Government, once it had assumed r, did its best to assuage these evils. Although the Agreement ot contain those safeguards for the South which those who erved there thought necessary, it provided for Southern rep- tation in the Cabinet. Two Southern Ministers were included and another on the Governor-General's Commission.

#### SOUTHERN PROVINCES: THE MUTINY OF 16 AUGUST

uthern politicians were not, however, happy about the position here was a growing demand among them for a federal solution h would grant the South semi-autonomous status. The tians were aware of this separatist tendency. They were still ling in the South, and when el Azhari and his Government 1 to come out in favour of independence they started once to build up their position there with promises to help the h against the North and, it seems established, with bribes to hern tribes and individuals. This activity appears to have ed its peak when numbers of Southerners were taken to Cairo otest vociferously there against el Azhari and in favour of Nur n and union with Egypt. This type of subversion was hard to at, particularly as Egypt was represented in the Southern nces by her Irrigation Department, but the Sudanese rnors of the three provinces did what they could by protests, eking the ejection of certain individuals, and by closer im- entation of the Closed Districts Ordinance. Much damage however, clearly been done, particularly among the more isticated elements in the South, and the culmination came in utiny which broke out in August in the units of the Equatorial s of the Sudan Defence Force. It was tempting to see at once is mutiny a repetition of the 1924 rising which also began gh Egyptian instigation in the 'black' units of what was then gyptian Army; but if Egypt had much to do with creating onditions in which the present mutiny arose, there is as yet no f that she had a direct hand in it.

The mutiny was obviously a carefully planned affair. It was timed to take place simultaneously in all units in the South to coincide with Evacuation Day, 16 August, when the motion of self-determination was to be put forward. There was, however, a leakage of information, due to the arrest of a Southern soldier who attacked a postal clerk in Juba, and the Government was able to move in units of the Camel Corps in time to strengthen Juba. As a result the mutiny went off at half cock, and the mutineers were foiled in their strategic object of occupying Juba airfield. The Government was thus able to ferry in more Northern troops by air, and when a show of force was made the mutiny collapsed as an organized operation. It had, however, done great damage to the administration in Equatoria Province where the Northern administrators were forced to fly from every post except Juba and where a number of atrocities were committed by the mutineers. This has also committed the North to military occupation of certain Southern centres for the time being. The matter is so recent that further comment would be unprofitable. The Prime Minister has appointed a board of inquiry to investigate the causes of the mutiny and he has promised the South as a whole a fair deal. Many leading Southerners have come out of the affair with credit, notably Sayeds Santino Deng and Philemon Majok who maintained order in Wau, the capital of Bahr el Ghazal province, after the Northern administrators had withdrawn. There has been a general movement of rebellion among the tribes, although there has been a loosening of security throughout Equatoria. The factors leave grounds for hope that good may come out of the affair. All parties are agreed that it is a Sudanese affair in which outside help is not required, and Egypt's early suggestions for the use of British and Egyptian troops, and then for a round table conference, were quickly repudiated.

Events in the South may act as a brake on the development of self-determination since clearly it would be difficult to hold either an election or a plebiscite if conditions remain unsettled there. If, however, a way can be found round this, it seems that the Sudan will work its way through to independence during the next year. The will of the Sudanese to achieve this has, for the time being at any rate, risen above their sectarian and political differences.

A. B. H

## *Some Aspects of Soviet-Satellite Economic Relations*

is perhaps an outcome of the political consolidation of the Soviet Union's grip over the European satellite region that at least one of the crudest instruments of exploitation which the U.S.S.R. applied in the earlier phase have been gradually discarded. It is probable that from the Soviet point of view an essential precondition for this step had to be the safe vesting of political power in regimes of unswerving loyalty.

By the end of 1954 one of the most obnoxious and obvious instruments of exploitation, the extra-territorial Soviet-owned enterprises and Soviet-satellite joint companies, which controlled several key industries in the dependent area, were wound up and Soviet titles transferred to the different Governments on varying conditions. It is true that there are still some survivals of the previous system such as the Sovrompetrol, a mixed enterprise running the whole of the Rumanian oil industry, or the Wismut AG, which although transformed from an exclusively Russian into a mixed company appears still to be in monopolistic control of the Rumanian uranium mines. However, neither these remnants of the previously widespread system, important as they are, nor the impact which the transfer is bound to have on the respective balance payments, burdened with servicing the debts arising from the same, detract from the validity of the statement that by now, by and large, goods move across the Soviet-satellite frontiers on a 'trade' basis. The inverted commas around the word 'trade' may usefully remind the reader of its peculiarities when applied to exchanges of commodities within the framework of a bloc of collectivist, centrally planned economies, subject to the paramount influence of a dominating Government.

In order to give a comprehensive picture of this 'trade' and of its impact on the different national economies, far more data on the intra-bloc flows would be needed than are actually accessible to us. In particular, we should need to know far more about the quantitative composition of the flows (there is less secrecy about the kind of goods exchanged) as well as about methods of pricing and elements.

At different periods various and conflicting hints have been dropped as to the principles which govern pricing in the intra-



bloc trade. Some time ago an eminent Soviet authority maintained that the Socialist countries' camp 'tended towards its own price basis and its own money-scale of settlements in conformity with its social structure'.<sup>1</sup> That seemed to imply that previous professions of fidelity to world market prices had been abandoned although it did not by any means make clear what was the basis of the social and economic structure of the Communist bloc prices paid and charged in mutual exchanges of commodities. In any case, the economic leaders of the satellite area are now going out of their way to reassure public opinion in their countries that it is, after all, the price structure of the world markets which forms the basis of these exchanges. Thus the Polish Minister for Foreign Trade insisted in a recent pronouncement that 'the beneficial character of trade exchanges with the Soviet Union springs among other things from the fact that their basis is world prices'.<sup>2</sup> Relying upon this, he qualified his statement to the effect that although this is the basis there is no identity between the bloc and world prices, since the former are fixed once a year and are thus free from speculative and business-cycle fluctuations. At the time—he gave as an instance—when prices of coal, cement, zinc, and sugar were falling and 'capitalist firms' were withdrawing from delivery contracts or asking for rebates, the U.S.S.R. stood faithfully to fixed prices: neither did she take advantage of the soaring prices of metals, ores, grain, and cotton during the Korean boom.

It can readily be conceded that there is no inherent absolute virtue in the world market price structure, but insistence on its validity within the orbit is designed to dispel the suspicion, widespread among peoples of the satellite area, that the Soviet Union abuses her political control over those countries to impose on them arbitrary terms of trade, less favourable than those they would be able to secure were they free agents in shaping their foreign economic relations. In that sense the yearly stabilized world price would be just and non-exploitative.

For lack of sufficient evidence it is not easy to say how much truth there is in such assurances. There must certainly be some important deviations from the principle, even if its general application were to be conceded. To quote only the three relevant cases

<sup>1</sup> I. Zlobin, 'Sovetsku Rubl samaya prochnaya valyuta v mire' (The Soviet Rouble the Strongest Currency of the World), in *Voprosy Ekonomiki*, No. 1951, p. 100.

<sup>2</sup> Statement of K. Dabrowski to *Zycie Warszawy*, 18 April 1955.

int, those of German uranium, Rumanian oil, and Polish coal, partnership in the Saxon uranium mines and the Rumanian oil fields secures to the Soviet Union supplies on privileged terms (in the case of Sovrompetrol the partners are reported to share 50 per cent in the crude oil produced).<sup>1</sup> Although according to clause of the initial 1945 agreement the coal 'reparations' stipulated by the Soviet Union from Poland were to end simultaneously with the Soviet occupation of Germany, no announcement has yet been made of any intention to discontinue this scheme, which 7 years has provided the Soviet Union with about six and a half million tons of coal at a concessionary price: estimates submitted in an earlier article<sup>2</sup> suggest an over-all average price for these and other commercial deliveries (the latter amounting to about one and a half million tons) of about \$2.25 per ton, which is about one-tenth of world market prices.

However, with these important qualifications, one has no alternative but to accept the satellite economic leaders' assurances at face value and to proceed on the provisional hypothesis that the intra-bloc's price structure does, broadly speaking, conform with that of the world markets.

This would mean that intra-bloc exchanges are actually based on world dollar and sterling prices quoted in markets relevant for a given commodity, and then, for currency prestige reasons, simply translated into roubles at official parities. Such seems in fact to be a logical inference from, for example, some reports of the valuation of business done at the recent Poznan international fair.

The turnover of Soviet foreign trade in 1953 was stated to be 10 milliard roubles at current prices, or about 8 milliard roubles at pre-war prices and, according to the same source, over four-fifths covered within the Soviet orbit.<sup>3</sup>

The significance of this figure may perhaps be brought into bet-

<sup>1</sup> E C E, *Economic Survey of Europe in 1954*, p. 121.

<sup>2</sup> See 'The Dilemma of the Polish Economy—II', in *The World Today*, April 1954, p. 172 n. Since that article was written, a first hint has been given as to the 'real terms' price paid by the U.S.S.R. for Polish coal. It is claimed that Poland receives 'over one and a half tons of Krivoi Rog ore for a ton of coal' (Warsaw Radio, 21 August 1955). Such a price would be quite advantageous to Poland in fact, even allowing for the richer metallic content of the Swedish ore, would be somewhat higher, e.g., than that paid to Poland by Sweden in the iron-ore trade of the two countries. However, it is not yet clear whether this advantageous price applies to 'commercial' deliveries of Polish coal to the U.S.S.R. only, or to the total of supplies, which would mean that the coal reparations' deliveries at concessionary prices had been stopped on the quiet.

<sup>3</sup> I. Dudinsky, 'Organizatsiya Vneshnei Torgovli SSSR' (The Organization of Soviet Foreign Trade), in *Vneshnyaya Torgovlya*, No. 11, 1954, p. 6.

ter relief by placing it against the background of the Soviet foreign trade turnover, expressed in comparable prices, in the two decades of the inter-war period:<sup>1</sup>

<i>(milliard roubles)</i>	
1918	0.4
1922	1.2
1925	5.0
1929	6.3
1930	7.3
1931	6.7
1932	4.5
1935	2.1
1937	2.3
1938	2.1

On such a showing it was due to the build-up of the 'parallel world market'—to use the term coined by Stalin—that the Soviet Union broadly succeeded in regaining after the war the peak level of her foreign trade of the late 'twenties and early 'thirties, i.e., of the 'heroic' period when her economy was fed to so great an extent by deliveries, particularly of industrial equipment, from the mature economies of the West. Thus a source which dried up by the end of the 'thirties was successfully replaced by an equivalent one in the mid-'forties, and this time—from the Soviet point of view—on a safer political basis.

To be sure, since those days the dynamic expansion of the Soviet economy has to some extent reduced the relative value of the U.S.S.R. of an outside contribution. Nevertheless a political control of the flow of some commodities is still of vital significance. This applies in the first place to some deficit raw materials such as, for example, Hungarian bauxite or Polish zinc, two raw materials the reserves of which, at their rate of exploitation today, may be exhausted within the lifetime of the present Soviet generation. But it also applies to some other materials, such as fuels, the addition to which from Poland and Rumania—marginal as they may become with the passing of time—are still of importance, especially to the Soviet Union's central industrial region. (The painful effects of deficiency in *marginal* quantities of fuel, quite out of proportion to the absolute and relative size of the deficit, has been noticed many times in this country since the war.)

Moving up one stage further on the ladder of industrial structure one would notice the importance from the Soviet Union's point of view of the expansion of satellite metallurgy based on Polish

<sup>1</sup> A. M. Smirnov and N. N. Liubimov, *Vneshnyaya Torgovlya SSSR*, Moscow, 1954, pp. 147 seq.

schoslovak hard coal, even if it has to be fed by Ukrainian iron-  
s—to the tune of perhaps 5 million tons a year (metallic con-  
t)<sup>1</sup>—and by other Soviet steel-making materials, e.g. scrap.<sup>2</sup>  
very recent survey points to the great strains and stresses and  
locating effects of the metal deficiency on Soviet engineering.<sup>3</sup>  
but it is undoubtedly the addition to the Soviet Union's own  
acities in what is the core of her industrial structure, i.e., in  
ineering, which is of paramount importance. It is a most sig-  
cant feature of the intra-bloc commodity exchanges that,  
pite her dynamic industrialization, the Soviet Union is in these  
hanges primarily a supplier of raw materials, fuels, and food  
fs, and a receiver of manufactures.

n this respect the estimates made by the Economic Com-  
sion for Europe of the foreign trade of Eastern Europe and the  
iet Union, though for lack of systematic statistics they are  
icative only of the order of magnitude, are nevertheless highly  
minating.<sup>4</sup>

he part played by equipment in intra-bloc exchanges may be  
ged from the fact that it alone accounts for more than a third  
heir total—which, incidentally, is more than double the share  
quipment in the trade of Western Europe.

admittedly the Soviet Union does supply some very important  
pment in order to speed up the industrialization of the area—  
s, for example, she has installed and equipped several 'giant'  
ore steel plants there. But the myth of the Soviet Union as  
basic provider of equipment and of modern technology for  
area is exploded. The reverse is in fact true: not only is she  
h the principal and the net importer of equipment from the  
u, but she alone takes almost a third of all equipment crossing  
national inter-bloc frontiers—perhaps for convenience we  
ht call it the bloc pool of equipment.

a better appraisal may perhaps be obtained by means of a com-  
son of Soviet trade with the West. Against the \$600-\$700

This estimate has been confirmed in the meantime by the E.C.E. Steel  
mittee, *European Steel Market*, Geneva, 1955, p. 18.

It may be noted that at the peak of the Soviet Union's war effort in World  
II she had at her disposal only as much steel as is today being produced in  
satellite area, and at the initial stage of the war she had only about half of  
she expects to be produced in that area in the very near future. Cf. Alfred  
erman, *Economic Imperialism*, London, 1955, p. 32.

Ā. Klumienko, 'O putyakh povysheniya proizvoditelnosti truda v mashino-  
nu' (On Ways of Raising the Labour Productivity in Engineering), in  
ory *Ekonomiki*, No. 5, 1955, p. 24.

See note at the end of this article.

million worth of machinery imported in 1953 from the Communist area to the U.S.S.R., only about \$100 million worth was imported from the Western world. In fact the value of machinery alone imported from that area is between one and a half and two times that of the total Soviet imports from Western Europe.

Furthermore, from the point of view of the U.S.S.R.'s political and economic strategy it is equally important to have under her control a source of equipment deliveries for Asian Communist nations—China, Mongolia, and North Korea—for whose industrialization she has accepted responsibility (it is arguable that whatever her interest in expanding her own imports of equipment from the West, she must be conscious of the dangers—from her angle—those countries becoming dependent on the West for their supplies of machinery and capital goods). Add these countries' equipment imports from the bloc equipment 'pool', and it appears that they and the Soviet Union together absorb almost two-thirds of the total. In other words, this means that the Soviet Union and her Asian partner and satellites absorb something like \$1,200–\$1,400 million worth<sup>2</sup> of machinery, as against \$550–\$600 million worth of Soviet contribution to the equipment pool.

A net and considerable contributor to the pool, as one would expect, is Czechoslovakia, with a very wide range of machinery to the tune of \$700–\$800 million.<sup>3</sup> Two other Central European countries are supplying some important items, Hungary specializing in production of Diesel locomotives and electrical apparatus, and Poland in rolling stock and ocean-going ships. Nevertheless in 1953 they were still drawing more from the pool than they were receiving.

A Soviet authority last year made the previously unthinkable admission that 'since the second world war Czechoslovakia, Poland, and Eastern Germany have become large-scale suppliers of machinery and equipment' to the U.S.S.R.<sup>4</sup> Of these three countries, it is certainly East Germany that has spectacularly taken the lead, far outpacing even Czechoslovakia. It appears from the E.C.E. estimates that by 1953 Eastern Germany already occupied

<sup>1</sup> Amounting in 1954 to \$383 million. cf E.C.E., *Recent Developments in Trade between Eastern and Western Europe*, Geneva, 1955, p. 27.

<sup>2</sup> Inferred from the E.C.E. estimate, cf p. 438. The figures also include Albanian imports which are relatively negligible and have been disregarded by *ibidem*.

<sup>3</sup> N. Bolshakov, 'Voprosy razvitiya vneshnei torgovli Sovetskogo Soyuza' (Problems of Foreign Trade Expansion in the Soviet Union), in *Planirovaniye Khozyaistva*, 1954, No. 4, p. 87.

place as a supplier of capital goods within the Communist bloc, and that at least half the East German engineering exports are absorbed by Russia alone.

These estimates, referring as they do to the 1953 position, in fact grossly understate Eastern Germany's role today both as a contributor to the 'pool' and as a supplier to the U.S.S.R. Since reparation deliveries from Eastern Germany to the U.S.S.R. have been terminated, thus releasing productive capacities for contribution to the engineering pool on a 'commercial' basis. Since such capacities had for years been geared to Soviet needs it may be safely assumed that their products will continue to travel to the same destination. One may perhaps estimate that the value of Eastern Germany's yearly contribution to the equipping of other countries of the bloc has by now reached, or even passed, the level of a milliard dollars.<sup>1</sup>

The tremendous importance of the Central European area, and in particular of Eastern Germany, in the field of equipping Communist industries cannot fail, one may be inclined to believe, to influence Soviet strategy on the international stage. Such considerations must naturally strengthen any doubts that may be felt as to Russia's sincerity in her role of protagonist of German unity. True, it may be asked whether the vital equipment supplies might not still be available to the Soviet Union on a genuinely commercial basis from countries freed from the Soviet political yoke, and perhaps even at the same 'real' price. Such a question, however, goes far beyond a purely economic cost calculus, although extremely intricate problems would arise on the economic plane—in particular the problem of payment, in view of the magnitude of the transactions involved. In any case, it cannot be an easy decision for Russia to part with what she regards as the surest means of control over a supremely important source of equipment, and to accept in this respect a dependence on elements, both political and economic, which lie beyond her power to influence. Were she to part with this source she would afford a clue to the immense weight of factors, internal or international, which had impelled her to cut her losses and make such a decision.

A. Z.

Potential additions to East German exports resulting from the switch to commercial exports of capacities reserved for reparations have been estimated at about \$500 million at current prices (*Economic Survey of Europe in 1954*, 22). It may be safely assumed that the bulk of this consists of different kinds of engineering products.

NOTE.—There are two versions of E.C.E. estimates of the intra-bloc changes of machinery and equipment for 1953 (cf. *Economic Survey of Europe* 1954, p. 118, and *Economic Bulletin for Europe*, vol. 7, No. 1, p. 61) which tabulate below:

	Version I (in million current dollars)		Version II	
	Exports 200—	Imports 700–750	Exports 550–600	Im About total
U.S.S.R.				
East Germany	700–800	25–40	700–800	} Rather more ½ of to
Czechoslovakia	320–360	80–100	320–360	
Hungary	175–200	75–90	175–200	
Poland	80–100	250–275	80–100	
Rumania	25–40	120–140	25–40	
Bulgaria	—	70–85	—	} Rather than total
China, Mongolia, North Korea, Albania	—	180–200	—	
TOTAL	1500–1700		1850–2100	

In version II imports of machinery and equipment to Poland may be put at some \$250–\$275; those to Rumania may be more roughly estimated around half of that amount, and those of other countries probably fall in case within the range of \$50 to \$100 million.

Version I was revised by the E.C.E. Research and Planning Division in light of criticism made by the representative of the U.S.S.R. at the March session of the E.C.E. As a result of this revision the Soviet contribution to bloc's equipment 'pool' has been roughly trebled (Version II). It is still not what were the grounds of the U.S.S.R.'s objections to the initial estimate of \$200 million for the Soviet contribution to engineering exports, since the figure was derived from a statement of 11 March 1954 by Mr. Mikoyan, who said 'supplies of machinery and equipment for undertakings built in democratic countries to Soviet design are estimated at nearly 800 million roubles in alone'. Any doubts as to the correct interpretation of Mr. Mikoyan's words are to have been dispelled by some subsequent Soviet authoritative statements quote one of them 'In 1953 alone the U.S.S.R. delivered to the countries of People's Democracies machinery and equipment to a value of about 800 million roubles' (cf. I. Dudinsky, *op cit*, p. 5).

However, to be on the safe side, we have accepted the Version II figure throughout this article. Were Version I accepted instead, the Soviet Union would appear as a very heavy net importer of machinery within the bloc, and its role as a supplier would shrink even more. This would of course merely strengthen the argument of the present article.

## United States Defence Policy in the West Pacific The 'Island Defence Chain'

THE visit of Japanese Foreign Minister Mamoru Shigemitsu to Washington at the end of August brought into sharp focus the American defence problem in the West Pacific. The U.S.A.

made a great effort to construct there, from an island chain and a couple of peninsulas, something like a modern Chinese Wall for the 'containment' of the Communism that has consumed much of the Asian mainland. Today an uneasy peace reigns in Korea, Indo-China, and the Formosa Strait. That peace has brought to light the basic weakness of the U.S.A.'s 'island defence chain', and Minister Shigemitsu's mission pin-pointed the flaw; the American system of military alliances in the West Pacific lacks the essential political cement.

Under the shock of the aggression by the North Koreans on 25 June 1950, the U.S.A., believing that this meant the beginning of open Communist aggression in Asia, grasped at everything in sight that might be of use in shoring up the 'first line of defence' it had already drawn from the Aleutians through Japan to the Philippines. The dispatch of U.S. forces to Korea and American assumption of the U.N. Command brought South Korea, which had earlier been deliberately excluded on military grounds from the American defence line, into the American sphere of influence. The Presidential directive of 27 June 1950 that initiated the U.S. operation in Korea also put the U.S. Seventh Fleet in the Formosa Strait—barring the way to Formosa. In September 1951, on the occasion of the signature of the Japanese Peace Treaty at San Francisco, the U.S.A. signed a security pact with Japan. And after the Indo-China truce of July 1954 the U.S.A. adopted South Vietnam, too, as its protégé, though not to the extent of committing U.S. troops to its defence. The cordon facing Communist China seemed superficially complete.

#### U.S. MILITARY AID IN THE WEST PACIFIC

The several parts were militarily strengthened with notable efficiency. The Republic of Korea (R.O.K.) Army, for instance, comprised less than 100,000 lightly-armed men when the war began in June 1950—and the number quickly diminished; by the time the truce came in July 1953, however, the broken R.O.K. Army had been transformed into a respectable fighting force of sixteen combat divisions. But the President of the Korean Republic, Syngman Rhee, had wanted the U.N. forces to carry his rule right up to the Yalu River. His acceptance of a truce which gave him less was conditional upon the granting by the U.S.A. of a mutual-defence pact, political and economic collaboration, and a billion-dollar rehabilitation programme.



By June 1955 U.S. military aid to South Korea had totalled \$720 million and the R.O.K. Army numbered 660,000 men. The programme calls for continued heavy military expenditures in the year ahead, with the formation of three more divisions. Major-General R. L. Howze, when relinquishing his post in June as chief of the U.S. Army advisory group in South Korea, termed the R.O.K. ground forces 'the finest army in the world'. Allowing for exaggeration, it remains certain that the U.S.A. has spared no trouble or expense to make the R.O.K. Army efficient as well as large, for American military circles clearly regard that army as being 'on the American side'.

The military strengthening of South Korea was paralleled by similar activities on Formosa. When the Seventh Fleet first took up position in the Formosa Strait it was only to neutralize Formosa and the Pescadores for the duration of the Korean hostilities. But on 1 May 1951, by which time the Chinese Communists were openly involved in the Korean War, a U.S. military mission headed by Major-General William C. Chase arrived in Formosa to administer fresh aid to the beaten Chinese Nationalists. It was originally planned that the mission would be built up to a total of 600 officers and men; today, it numbers about 1,700. The first intention was to whip eighteen good divisions out of the twenty-eight superannuated 'combat' divisions which made up one half of the Nationalists' reputed 600,000 men. Taipei has now won U.S. support for twenty-one divisions plus two smaller armoured divisions; the Nationalists also maintain three additional 'not supported' divisions and at present are said to be trying to get the U.S.A. to help to establish nine reserve divisions. Formosa, with 8 million people, thus strives to compete with South Korea, claiming a population of 19 million, in constructing a military establishment far out of proportion to the country's strength.

The crisis in the Indo-China war followed naturally on the end of hostilities in Korea. But the flood of U.S. dollars poured into Indo-China to support the Navarre Plan, which was designed to destroy Ho Chi-minh's armies 'with maximum speed and effectiveness', failed to check the Communist tide. After the Geneva Conference brought a halt to the Indo-China fighting in July 1954 the U.S.A. pushed rapidly into South Vietnam, bent once more on building up a firmly 'anti-Communist' regime, this time under Ngo Dinh Diem. An American 'crash' programme channelled about \$400 million into the country in the fiscal year ending

30 June 1955—\$100 million for economic and technical assistance, \$100 million for support of the French Expeditionary Corps, and \$200 million for the training and equipment of the Vietnam Army. With a population of 10 or 11 million, South Vietnam was undertaking to build up an army of 100,000 first-line troops and 150,000 reserves.<sup>1</sup> The U.S.A. now had three autocratic and sometimes extremely obstreperous 'strong men' to champion—Syngman Rhee, Chiang Kai-shek, and Ngo Dinh Diem.

Japan was different. She had been compelled by force of circumstances, upon the negotiation of peace in 1951, to enter upon a treaty with the U.S.A. which authorized the latter to station troops in Japan for Japanese and Far Eastern security. The form and orientation of that security pact were doubtless influenced by the prior outbreak of the Korean War. The Korea truce of mid-1953 introduced a radical change in that part of Asia, but the American-Japanese mutual-defence assistance agreements of March 1954 sprang from the 1951 pact and were designed to push Japan's rearmament. A fault in conception lay there: Japan is politically an advanced and integrated nation and was bound to try to reassert her independence at the earliest possible moment, and rearmament pressed upon her from without would eventually collide with the spirit of independence.

The 'defence chain' has another fundamental weakness. The regimes seated in Seoul, Taipei, and Saigon might well be hard put to it to maintain themselves if U.S. support were withdrawn. Although in effect protectorates of the U.S.A., they nevertheless consider themselves to be fully independent and admit no basic obligation to follow the direction of the protector Power. In exercise of their 'sovereign rights', moreover, they remain separate from each other.

#### SECURITY PACTS AND DEFENCE TREATIES

That fragmentation reflects no want of trying on the part of the U.S.A. On 15 September 1953, from Saigon, Senator Knowland called on all Asian peoples to fight Communism, declaring that there would be no U.S. aid for those who did not co-operate in the fight. Senator Alexander Wiley, chairman of the Senate Foreign Relations Committee, promptly echoed Knowland's

<sup>1</sup> North Vietnam is believed to have a population of 12 or 13 million and an army of 150,000 fully-armed and trained first-line troops and 150,000 or so auxiliaries.

sentiment with a call for formation of a 'third great pact' for Far East, as a parallel to N.A.T.O. and the Organization of American States. In November Knowland developed his thought further by stipulating the exclusion of India, Burma, and Indonesia from the charmed circle of the new security plan because they were 'neutralist' States. Secretary of State Dulles undertook in March 1954 to create a united front in South-East Asia, and in August he announced that consideration had been given to a security pact linking the U.S.A. to Japan, South Korea, and Formosa. In the endeavour to carry out the American plan envoys shuttled back and forth between Taipei, Seoul, Tokyo, and Manila.

The net visible results of those efforts were the S.E.A.T.O. Pact and the U.S.A.-Formosa mutual defence treaty, signed respectively on 8 September and 2 December 1954. Between January and April 1955 the U.S. Government appeared greatly concerned lest war with China should prove inevitable. At the S.E.A.T.O. conference at Bangkok in February Dulles spoke urgently in favour of linking the 'three fronts'—South-East Asia, Formosa, Japan and South Korea—in the event of hostilities. His concept of a solid anti-Communist front facing China, as variously expounded from January 1954 to April 1955, nevertheless in the end bore no fruit.

The reason for the lack of success is manifest. In the first place the political trend in Asia is towards co-existence, not atomic war. Secondly, the U.S.A.'s Asian 'allies' do not share each other's interests and have no common purpose. To sustain its decaying legitimacy, the Taipei regime is eager to join any international combination so long as the U.S.A. is a member party. Not so the Republic of Korea. Any plans for linked security in East Asia inevitably run head-on into Syngman Rhee's implacable hostility towards Japan; it is all too obvious that the thoughts of Rhee and those of American strategists on the subject of alliances can coincide but rarely. For instability and unpredictability, the situation in South Korea is surpassed by that in South Vietnam. The 1954 Geneva accords envisaged only a temporary division of Vietnam into North and South, and the Final Declaration, which the United States did not sign, provided that 'general elections shall be held in July 1956 under the supervision of an international commission. . .'. The U.S.A. has given strong support to Ngo Dinh Diem only to discover that he is probably incapable of so broadening the base of his rule as to win mass popular support in the sh

ne available to him. Both the Premier and the U.S. Secretary of State have, on occasion, voiced doubts as to whether it would in any case be possible to hold really democratic elections in North Vietnam. But the issue remains.

Syngman Rhee wants war for reunification of the Korean peninsula; Chiang Kai-shek threatens to 'liberate' the China mainland; and Ngo Dinh Diem has no wish to face the danger of carrying out, in 1956, the elections provided for under the Geneva agreement of 1954. The first two, in particular, have contributed substantially to the raising of tension in East Asia as the opportunity offers. Japan, for her part, has from beginning to end of the West Pacific 'crisis' resisted being dragged, pushed, or wheedled into any mainland adventure. Tokyo's tolerance of the Taipei regime extends no further than its not unprofitable Formosa trade. The American journalist C. L. Sulzberger reported from Tokyo on 25 March 1955, at the height of the furore over the Nationalist-held offshore islands Quemoy and Matsu, that Premier Hatoyama had informed him that 'The Japanese people don't want a war and they particularly don't want any war started over those islands.' Japan would naturally be even less inclined to fight a war on behalf of Syngman Rhee. The Japanese view of the situation in Asia much nearer to that of Kotelawala or Nu than to that of Chiang Rhee.

#### JAPAN AND THE DEFENCE CHAIN

Japan is the king-pin of the U.S. strategic position in the West Pacific. It was the American Occupation that imposed on the Japanese nation the constitutional provision whereby Japan renounced 'forever' war and its accoutrements. Now the U.S.A. urges Japan to rearm and to support U.S. defensive arrangements in the West Pacific. But Japan has no desire to enter the same category in which Chiang Kai-shek and Syngman Rhee are placed. Her strategic objective, unlike theirs, is not to 'liberate' either the mainland of China or North Korea, or even, in simpler terms, to 'fight communism'. Having once been a great Power the Japanese nation aspires to effect its rehabilitation.

Japan perforce must try to establish more normal relations with China and the U.S.S.R. Locked in the U.S. defence system, she can hardly improve her relations with the Communist mainland except at the American pace. That pace promises to be slow; thus Japan has no choice but to work for greater freedom.

Tokyo therefore, doubtless not without some unacknowledged gratitude to General Douglas MacArthur, leans heavily on the Constitution and informs the U.S.A. that it is quite impossible given the legal and political impediments in the road, for the country to proceed any faster in the direction the U.S.A. would like it to go; but that it might help if the U.S.A. would make further concessions to Japan, for the mollification of Japanese public opinion. Here, the U.S.A. has been hoist by its own petard.

The Japanese have plainly outlined their desires in this respect. When Foreign Minister Shigemitsu's visit was first broached, in March, the *New York Times* correspondent quoted a high Japanese official to the effect that Tokyo aimed at 'a dynamic working partnership' with Washington. In a press conference at San Francisco when finally en route to the American capital, Shigemitsu said that the American-Japanese security pact needed revision to facilitate advance 'in the direction of mutual co-operation in the international sphere, especially in the Pacific and Far East'. In Washington on 26 August, on the eve of his three days' conference with U.S. officials, he asserted that the time had come for Japan to advance towards 'a complete posture of independence'.

Here he showed consistency. The Tokyo Government felt an urgent need to buttress its political position. The Japanese people are restless, and veering to the Left. There is growing popular opposition both to the extension of U.S. air bases in Japan and to the continued presence there of U.S. military forces. So Shigemitsu sought adjustments. He wanted reduction of the amount Japan contributes for the maintenance of the U.S. garrison. And he reputedly carried with him a draft six-year defence plan for Japan to increase her ground forces to 183,000 men by 1958 and to develop a 1,300-plane air force by 1960, thus enabling U.S. ground forces to evacuate Japan by the earlier and U.S. air units by the later date. (The American target is a Japanese ground force of 350,000 men by 1962.)

That was not all. Tokyo was at the moment negotiating a peace settlement with the U.S.S.R. in London, and doubtless hoped for particular American concessions which would have improved its bargaining position. Advance information indicated that Tokyo desired Shigemitsu to obtain from the U.S.A. a definite commitment for return of the Ryukyu and Bonin Islands to full Japanese sovereignty, and the release of the 210 war criminals imprisoned under American authority (out of a total of 577 prisoners in the

egory). Finally, the Japanese delegation was said to be charged with expressing once more Japan's need for an easing of existing restrictions on trade with China. As Shigemitsu said, somewhat abundantly, at San Francisco: 'Trade with foreign countries is vital for Japanese life.'

The joint communiqué of 31 August announced the results. It had been agreed that efforts should be made 'to establish conditions such that Japan could, as rapidly as possible, assume primary responsibility for the defence of its homeland and be able to contribute to the preservation of international peace and stability in the western Pacific'. When, but not before, such conditions prevailed, it would be appropriate to replace the existing security treaty with 'one of greater mutuality'. In joint consultations to be held in Tokyo on defence problems, 'consideration will be given to the establishment of schedules for the progressive withdrawal of United States ground forces as Japan's own defence capacity increases and taking into account the related situation in the area'. There was agreement on 'the desirability of establishing a general formula for progressive reduction over the next several years' of Japan's financial contribution to the support of U.S. forces in Japan. Presumably with reference to Japan's foreign trade problem, Secretary Dulles 'stressed the contribution to economic development which could be made by foreign private investment both in Japan and in other countries of the area'. The S.A. released twenty-two Japanese war criminals on parole on 1 August, and Mr Dulles 'indicated that the question of the war criminals will be kept under continuous and urgent examination'. To sum up, the communiqué recorded no real gains—no concrete concessions regarding sovereignty over the Ryukyus and Okinawa, no commitment on curtailment of the strength or stay of U.S. forces in Japan. Shigemitsu had won none of the desired elements of full partnership. One of Dulles's aides was in fact quoted by the *Christian Science Monitor*<sup>1</sup> as saying that the statement regarding Japan's ultimate assumption of primary defence responsibility meant that 'we are not going to get out of Japan in a hurry'. And, although no mention was made of trade with China, it could safely be inferred from Vice-President Nixon's message on 29 August of preconditions for China's acceptance into the society that Shigemitsu got no concessions in that field. Speaking in New York on 1 September, with his Washington

William H. Stringer in *Christian Science Monitor*, 1 September 1955.

visit behind him, Shigemitsu said that Japanese-American co-operation would remain Japan's 'immutable policy', and ruled out a 'neutralist' course. But on 30 March, looking towards the impending Bandung Conference, he had declared that Japan aspired to be 'a bridge between East and West', and while proposing co-operate closely with the free nations desired at the same time to consolidate peaceful relations with all neighbours, including the U.S.S.R., 'so as to inaugurate an era of enduring stability in East Asia'.

Shigemitsu was not empowered to give assurances that Japanese-American co-operation constituted his country's 'immutable policy'. As Disraeli observed, 'Finality is not the language of politics.' In Japan the language is now that of reappraisal and readjustment. Shigeru Yoshida, who laid down the Premiership in December 1954 after just such a fruitless visit to Washington. Shigemitsu's, was probably the Japanese leader most open and conscious of the necessity for co-operation with the United States that the post-war period will see. Henceforth, all Japanese Governments will probably tend either to become increasingly 'neutralistic' or to gravitate towards one or both of the Communist mainland Powers in the hope of promoting Japan's interests. Japan is weak, and the second course would hold grave dangers for her; but there are powerful forces pushing in that direction, for the Japanese are concerned for their national future.

If the U.S. would continue as Japan's adaptable partner as it latter re-entered the Asiatic theatre of conflict, the American-Japanese alliance might continue viable. The obstacle to adoption of such American tactics is the conflict of its loyalties in the West Pacific: concern for Japan is distracted by the fantastic dreams and autocratic obstructionism of Syngman Rhee and Chiang Kai-shek. With the end of fighting in Korea the preoccupation with South Korea and Formosa is no longer justified, and they have become the chief 'incubi' of the United States in the West Pacific. The Seoul and Taipei regimes are troublesome enough in their own right; in addition, they interfere with the evolution of sound policies with respect to Japan, as well as China, and hamper relations with the Colombo Powers.

#### U.S. STRATEGY IN THE FAR EAST: A SUMMING UP

The U.S.A. has invested billions for military purposes in China (when the Nationalists were in power there), Formosa, South

Korea, and Indo-China. In the end, it will probably be discovered not to have bought national defence, but only to have paid tribute. For the axiom that a State cannot build strong defences except on its own territory is not pliant enough to accommodate weak satellites, no matter with what war trappings they may be endowed. The American 'island defence chain' is not a chain at all: the links are not connected to each other. The U.S.A. possesses only a number of separate foreign outposts, not a 'first line of defence' powered by a single political drive. If the outposts have their value, it should not be over-estimated.

In the final analysis the basic error is one of political strategy. The American leaders who conceived such a set-up expected imminent war and viewed the whole matter of alliances as essentially a military problem. The responsible statesmen failed to heed the precepts of Clausewitz that 'war is to be regarded as an organic whole', as determined by political forces and conditions; and that 'it is an unpermissible and even harmful distinction, according to which a great military event or the plan for such an event should admit a *purely military judgment*' (italics in original). But war, for whatever reason, did not break out, and, as the Chinese civil war and the Indo-China war have demonstrated, there are two factors in the Asian equation which outweigh guns—the time element, and Asian nationalism. If the appearance of the A- and H-bombs on Asian battlefields might require some qualification of the time factor, it would on the other hand so exacerbate Asian nationalism that the final result could hardly be victory for the Occidental Power employing those terrible weapons.

So the 'island defence chain', at least in its American aspect, stands in danger of erosion and crumbling away. The Republican Administration in Washington, by its unwillingness to cede more of the substance of independence and sympathetic partnership to the Oriental nation it chooses to call 'ally', has on the present occasion probably weakened, not consolidated, Japan's attachment to U.S. defence concepts. It is wry irony that it should have been the Republican military man *par excellence*, General MacArthur, who, meeting with Minister Shigemitsu on 2 September, took the honours for enunciating the most sympathetic views regarding Japan. He expressed the belief that all war criminals should now be freed, advised that Japan ought not to build up her armed forces beyond the number needed for defence, and considered that U.S. troops should be withdrawn from Japan just as soon as that nation



was ready to assume the burden of defence. But this, if not too little, is evidently destined to come too late.

In 1952, before becoming Secretary of State, Mr Dulles contended that American policy should be based on the principle that:

1. The dynamic prevails over the static; the active over the passive. . .
2. Non-material forces are more powerful than those that are merely material. Our dynamism has always been moral and intellectual rather than military or material. . . .
3. There is a moral or natural law not made by man which determines right and wrong and in the long run only those who conform to the law will escape from disaster. . . .

Presumably those principles operate in Asia as well as in the West.

A. B. C.

## *Recent Literature on Communism in India*

CONSIDERING the importance generally attached to the subject of Communism in non-European areas, it is remarkable how little serious literature is in existence about it. Leaving aside the productions of the 'Five Weeks in Red China' school, the reader's choice tends to be limited to monographs on one particular aspect of the problem, e.g. Communist penetration into Malayan trade unions, or alternatively to broad surveys of 'backward' or 'underdeveloped' areas. (Not that the two terms are necessarily synonymous: some backward countries are seriously 'overdeveloped' in terms of their actual or potential resources.) Again, entire continents have been neglected, so that with the best will in the world a review of recent books, pamphlets, and monographs on the subject of Communism in the less developed areas of the world tends to become a discussion of Communism in some countries of Asia. French writers have indeed dealt trenchantly with the struggle in Indo-China<sup>1</sup> and, more significantly perhaps, with

<sup>1</sup> E.g., M. Paul Mus, in *Le Destin de l'Union Française*, Editions du Seuil, Paris, 1954.

: mounting evidence of social conflict in North Africa,<sup>1</sup> but : central theme of these writings is nationalism, not Communism; or Communism only in so far as it manifests itself as a revolutionary undercurrent within the nationalist movement against foreign domination. Even so, French North Africa is comparatively well documented. If any serious work has been done in recent years on Communist activity in, for example, the South African Union, it has not come to this writer's notice. The remainder of Africa, for obvious reasons, is as yet too backward to provide much material for study, if one excepts Egypt which could perhaps be regarded as part of the Middle East.

The discussion thus centres on Asia, and within Asia, in so far as it is not yet Communist, interest has recently shifted to India being by far the most important area whose political orientation still doubtful. There appear to be sharp differences among the experts on the prospects of Indian Communism in the light of India's obvious and growing economic difficulties. Is the Party, one may ask, as weak as some recent reports have suggested?

That Indian Communist policy has for some time been moving in a circle is made evident by the published records of the Indian Communist Party's third congress, held at Madurai from 27 December 1953 to 3 January 1954.<sup>2</sup> The difficulties in which the Party subsequently landed itself by simultaneously urging the overthrow of the Congress Government and qualified approval of Mr Nehru's foreign policy were partly straightened out by the British Communist spokesman, Mr R. Palme Dutt, in an article in the Cominform journal, *For A Lasting Peace, For a People's Democracy!* on 15 October 1954, demanding a 'combined battle' against both Britain and America. At the congress the official leadership had placed the main emphasis on the struggle against American imperialism' (and consequently implied that 'national

See, for instance, M. Robert Montagne, *Révolution au Maroc*, Editions du Centre-Empire, 1953; Professor Charles-André Julien, *L'Afrique du Nord en révolte*, Julliard, Paris, 1954. Habib Bourguiba, *La Tunisie et la France*, Julliard, 1954, may claim to be of special interest at the present moment.

See *Communist Conspiracy in India. An analysis of the private proceedings of Third Congress of the C.P.I. with full text of secret documents*. Published by Democratic Research Service, 1927 Mahatma Gandhi Road, Bombay, 1954. The sudden disclosure, on 20 January 1954, of these records caused a considerable stir at the time and was acutely embarrassing to the Communist Party, especially in view of the factional differences which had emerged at the congress. The *Hindustan Times* on 23 January 1954 published two and a half columns from the documents, notably those suggesting that behind a façade of institutional propriety the Party was preparing another switch to armed violence.

liberation' from the remnants of the British connection was not an urgent matter). This was not to the taste of the 'Left opposition which came to the convention determined to put the struggle against 'British imperialism' (and Congress) to the forefront, and on some issues almost carried the day, to the mortification of the British Communist delegate, Mr Harry Pollitt, who was also the emissary of the Cominform.<sup>1</sup> The resulting compromise is significant in view of subsequent developments, up to and including the Andhra election of February-March 1955 and the Bandung Conference of 18-25 April 1955.

Almost three years before this testing time was reached, Mr Asoka Mehta, the distinguished Indian Socialist, in an analysis of the country's first general election, that of 1951-2, had laid stress on the growth of Communism in some Southern States of the Union.<sup>2</sup> 'Frustrated communalism,' he wrote, 'can easily turn to the Communists, not because of any basic affinity, but because the Communists represent an entrenched power.'<sup>3</sup> And, again

The Communist Party will gather strength to the extent [that] disintegration grows in the country. Its footholds are firm in two States Bengal and Madras, where the people have a deep-seated feeling of frustration. But these provinces formed the vanguard of the national movement, and in the post-freedom period they have been pushed aside... The Communists will grow fast only if the press and the public fall victim to their logic that the sole alternative to Congress is the Communist Party. Such a dichotomy helps incidentally the Congress but mainly the Communists. It, however, blasts the prospects of the Indian people to discover a road that protects their frontiers, preserve their freedoms and ensures rapid social change.<sup>4</sup>

Since the Andhra election, which might be thought to have underlined these warnings, a strenuous effort has been made to pretend that nothing in particular has happened, but detailed analyses of the election results did not bear out the first newspaper report which suggested a signal triumph for Congress in general and Mr Nehru in particular.<sup>5</sup> The fact that the Communists gained only 15 seats (with a poll of 2.7 million out of a total of 8.6 million as against the United Congress Front, which polled 4.3 million

<sup>1</sup> See *Communist Conspiracy*, preface, pp. 12-13

<sup>2</sup> Asoka Mehta, *The Political Mind of India: an Analysis of the Results of the General Election*; published by Madhu Limaye for the Socialist Party, 1 Tulloch Road, Apollo Bunder, Bombay, 1952.

<sup>3</sup> *Ibid.*, p. 60

<sup>4</sup> *Ibid.*, p. 66.

<sup>5</sup> See G. N. S. Raghavan, 'Reprieve in Andhra', *Encounter*, London, May 1955.

walked off with 146 seats, seems relatively unimportant in the light of the startling disclosure that, compared with 1951-2, they almost doubled their vote, while the Congress and its allies, who collectively gained 3.9 million votes (out of 7.2 million) in 1951-2, at the same time improved their combined poll by only 10 per cent. In going through the newspapers during the week after the results were published it was fairly apparent that their significance had either not been understood or had been regarded as unsuitable for assumption by the general reader.

Against this faintly sinister background Mr Masani's history of the Indian Communist Party makes significant reading.<sup>1</sup> Written for the Madurai congress of December 1953-January 1954 it naturally lays stress on Moscow's successful intervention (in the case of Mr Pollitt) to secure the passage of the anti-American reform, and the defeat of the 'Left' faction which had made the mistake of over-emphasizing the anti-British aspect, at a moment when Moscow sought to placate both the British and Mr Nehru. This sort of intervention, though perhaps astonishing to a nationalist, is really an old story so far as the Indian Communist leaders are concerned. As far back as 1935 the C.P.I. had to be solemnly rebuked at the Seventh Congress of the Communist International for its 'sectarianism'.<sup>2</sup> Significantly, the unfavourable comment on its activities was delivered by a Chinese *rapporteur*, Wan Min. When the Party leaders turned a deaf ear, Moscow intervened more energetically, this time via the British Party in whose name R. Palme Dutt and Mr Ben Bradley addressed 'An Open Letter to Indian Patriots' over the heads of the C.P.I. to Indian nationalists presumably willing to fall in with Moscow's new 'Popular Front' line.<sup>3</sup> A similar method was applied in 1950, when the Cominform journal carried an authoritative article advising the C.P.I. to study the Chinese example.<sup>4</sup> This was at a time when the C.P.I., under the influence of the then dominant Ranadive faction,

VI R. Masani, *The Communist Party of India*; in association with the Institute of Pacific Relations, New York-London, 1954. The editing of this important work has unfortunately been a little casual. Thus on p. 20 the Third Congress of the Communist International is stated to have been held in 1920 instead of 1921; the accompanying quotation from Lenin may, however, belong to the Second Congress of 1920. On p. 42 a brief quotation from the Cominform's 1928 resolution on India refers to 'party-bourgeois' masses (for 'petty-bourgeois').

Masani, *op. cit.*, pp. 56-7

*Ibid.*, p. 59.

*For a Lasting Peace, For a People's Democracy!*, Bucarest, 27 January 1950; edited by Masani, *op. cit.*, p. 102.

had ventured to publish some rather unusual criticism of Mao Tse-tung<sup>1</sup> and plainly had to be called to order. There was thus nothing very startling about the proceedings at Madurai. Mr Masani, however, makes full use of the incident to demonstrate how difficult it is for the C.P.I. to follow an ostensibly nationalist line without conflicting with the changing purposes of Soviet policy, now complicated by the existence of a second centre at Peking.

Careful reading of Mr Masani's work yields some surprising sidelights on the present situation in India, down to such features as the Socialist Party's disappointing performance in the Andhra election of 1955. He has this to say about the 'Popular Front' period of 1936-9:

Since 1936 the Communists had been working in the closest co-operation with the Congress and the Socialists, following the directive from Comrades Bradley and Palme Dutt of the British Communist Party contained in their famous thesis, the *Anti-Imperialist People's Front in India*. In this they had been instructed to 'build the broadest possible front of all the anti-imperialist forces in the country on the basis of the Indian National Congress and support and strengthen it to this end' With the outbreak of war, however, this policy was suddenly reversed Gandhi and Nehru were denounced as saboteurs of Indian independence and agents of imperialism. The Congress Socialists were described as henchmen of Congress for not sabotaging the Congress policy of 'compromise'. . .

The Socialist Party, which had been working very hard for a united Left, finally saw the futility and the dangers of trying to work with the Communists and decided to break the alliance. Mr Jayaprakash Narayan who had been the chief advocate of co-operation, frankly admitted his mistake. The Socialist Party expelled all Communists from its organization. This decision was taken in the nick of time. A little delay, and the Communists would have entirely broken the Socialist Party. As it was while parting, *the Communists carried with them almost intact three of the best organized State branches of that Party—in Andhra, Tamilnad and Kerala in South India.*<sup>2</sup> (Our italics).

Thus the seeds of the Andhra disaster—for it was a disaster—were laid in the Popular Front period. Until about 1940 the C.P.I. having recovered from its earlier sectarianism, kept up a 'united front' with the Socialists which went beyond its mere tactical entanglement with Congress.<sup>3</sup> Thus when in 1940 it walked of

<sup>1</sup> Masani, *op. cit.*, p. 101.

<sup>2</sup> Masani, *op. cit.*, pp. 78-9.

<sup>3</sup> M. R. Masani, 'The Communist Party in India', *Pacific Affairs*, March 1951, p. 23.

h three complete State organizations of its rival, the ground-  
 k had been laid for its post-war electoral successes in South  
 lia. The fact deserves more notice than it has hitherto received.  
 The C.P.I.'s current membership total is estimated at 50,000  
 the author on the basis of delegate attendance and statements  
 de at the Madurai congress. In the 1951-2 General Election it  
 led 4,712,009 votes, against 11,126,344 for the Socialists and  
 528,911 for the National Congress, but it did remarkably well  
 he State elections in Madras, Travancore-Cochin, and Hydera-  
 .<sup>1</sup> Its success in Hyderabad was the more noteworthy since this  
 ion had been the scene in 1948-9 of a small-scale uprising in  
 ch the C.P.I. headed a guerrilla movement and urged armed  
 ence not only against local landowners and gendarmes but  
 inst Congress representatives.<sup>2</sup> Since then the attempt to set up  
 erated areas' by force of arms has been abandoned in favour of  
 more orthodox policy of boring into trade unions, professional  
 anizations, and the universities.

Thoroughly documented and written from the standpoint of a  
 derate pro-Western Socialist, Mr Masani's work has naturally  
 a wide acclaim. Its scholarly temper presumably renders it  
 eptable to readers not otherwise disposed to place large hopes  
 Socialism in India or elsewhere. Yet at the same time Indian  
 ialism, if one may judge from Mr Masani no less than from  
 Mehta, is profoundly impregnated with Gandhi's outlook.  
 s is reflected not only in its general ethical orientation, but more  
 ifically in its dislike of industrialism and in its stress on farm-  
 and the virtues of the simple life. One finds the same pre-  
 upation with non-material values in a recent study by an

Masani, *The Communist Party of India*, pp. 157-60

See *Story of Violence and Terror*, issued by the Director of Publicity, Govern-  
 t of Bombay, 1950. Also, *Communist Violence in India*, issued by the  
 try of Home Affairs, Government of India. The following quotation from a  
 munist pamphlet is taken from the latter document

abourers, peasants, students, and citizens, take revenge on them throughout  
 al. Hang those murderers! Destroy the Ministry! These murderers have no  
 to live! Citizens should cut them to pieces! Attack Bidhan, Nalini, Dutt-  
 undar, and their officers and accomplices wherever you find them! Labour-  
 peasants, students, and citizens, punish these murderers with death; by  
 izing strikes, processions, and squads, assault the reactionary Congress  
 rs severely, set fire to Congress offices, the centres of reaction and black-  
 eeting! Attack the houses of the Ministers and create chaos there. Attack  
 ail gates and rescue your brethren who have been weakened owing to the  
 of blood. Wherever you be, give up all your work and proceed to lead pro-  
 ons of protest and attack these murderous Ministers. Let the memory of  
 brave brethren who sacrificed their lives encourage you. Proceed in de-  
 e of death. Inflict punishment on these murderers' (p. 30).

Indian Socialist writer which deals at length with the Communist land programme.<sup>1</sup> Here, however, bitter condemnation of Stalinist policies in Russia and Eastern Europe is supplemented by the argument that mechanization is of no interest to countries like India, since it displaces human labour, raises costs, and demands larger units than are available in overcrowded Asian countries.

We do not mind labour, because our farmers are not short of it; but we do mind expenses, because our farmers cannot afford them. The road to higher acreage being closed, we seek the prosperity of our peasant in the other two directions: (1) increased productivity per acre and (2) reduced costs, or at least the avoidance of steps that increase costs. This is the road to a prosperous agriculture in India.<sup>2</sup>

From the preface it would appear that Mr Asoka Mehta is largely in agreement with the author's general approach. The Indian Socialist Party has recently begun to look like a spent force, with some of its leaders joining the Congress and others quitting the political scene altogether, but perhaps it can rally on a modernized agrarian platform, though to this writer it would seem that there are certain sentimental obstacles to be overcome. However that may be, Mr Masani, Mr Mehta, and Mr Ram Swarup have chosen to tackle the Communists on their home ground: the land question in its national and social aspect.

One comes back to the point about Indian political literature being particularly significant in the present phase of Communist activities in Asia. The causes are obvious and need no emphasis. It now remains to be seen whether the various strands in the Socialist argument can be pulled together to form a whole differing at once from the C.P.I.'s line and from the Congress Party's approach. In the latter respect the chief difficulty clearly stems from the recent Congress attempt to swallow the Socialists, or at least their vocabulary. When the Congress President can say in public speech that to spend more than £4 10s. od. a week is crime against Socialism, it is not altogether easy to discover wherein his party's ideology differs from that of Mr Jayaprakash Narayan.<sup>3</sup> But just when one has finally decided that the Indian Socialists are divided from Communism by an almost metaphysical gulf, one is brought up sharply by the following utterance from Mr Mehta:

<sup>1</sup> Ram Swarup, *Communism and Peasantry: Implications of Collectivist Agriculture for Asian Countries*, Calcutta, 1954.

<sup>2</sup> Ram Swarup, *op. cit.*, p. 140.

<sup>3</sup> See 'India's Revolution by Consent', in *The World Today*, June 1955.

Those who chant the name of Gandhi fail to realize that though Gandhi's contribution to politics is not just great but unique, his preparation was mainly with *moral* philosophy, while those who turn to it, seek a *social* philosophy and are anxious to master the 'laws of evolution' and the social causations of changes in civilization. To the extent that a philosophy succeeds in embracing both these aspects, moral and social, will it make politics potent and meaningful in immediate as well as ultimate terms, in the dimensions of results as well as values.<sup>1</sup>

The Communists naturally claim that their doctrine does both. In disputing this assertion, the leaders of Indian Socialism are only faced with the dilemma of reconciling national tradition with modern (including Marxist) thought. Their efforts to achieve synthesis cannot fail to evoke sympathetic attention from statesmen faced with not altogether dissimilar problems.

G. L. A.

Mehta, *The Political Mind of India*, p. 72





# THE WORLD TODAY

Volume 11 No. 11 November 1955

\*

## Notes of the Month

### *the Kabaka's Return to Buganda*

THE Kabaka Mutesa II returned to Buganda on 17 October amid scenes of wild and genuine rejoicing. Never has a colonial crisis been resolved with so much cause for self-congratulation all round. All the major parties have won what they sought. The Kabaka has gained his original objective, the revision of the Buganda Agreement. The Governor, Sir Andrew Cohen, has obtained at last the agreement of the Baganda to the nomination of representatives in the once-despised Legislative Council of the Protectorate, where they must perforce be in a minority. At the same time the shape and powers of the Great Lukiko, the Parliament of Buganda, are buttressed for the first time with judicial authority. The Buganda Agreement is binding on the protecting Power not only morally but henceforth legally also, its articles being enforceable in the Uganda High Court with the right of appeal to the Privy Council. The European and Indian merchants are rewarded with the return of their trade, which was halved during the Kabaka's exile; they have moreover proved right their contention that in Africa it is unwise to change too much too quickly. The Buganda National Congress, the mass party which wants self-government quickly on the Gold Coast model, has done best of

It has achieved the promise of direct elections to the Legislative Council by 1961, and its candidates have topped the poll in the indirect elections which have already taken place. The result, the Congress circles report, has been a sudden accession of Buganda representatives to the ranks of the Congress party, including even the Kabaka's new ministers themselves.

It might have been hoped that political contentment would now ensure Uganda's economic prosperity, but the sudden popularity of the Congress is hardly a pointer towards peace. The political structure is weakened by inconsistencies, conflict, and paradox. To the Africanists the biggest inconsistency would seem to be the continued presence of the Governor in the same country from

which he exiled the Kabaka. Sir Andrew Cohen, despite his known African sympathies, has unfortunately become Uganda's least popular Governor, and this is bound to make his position difficult in introducing any further reforms he may have in mind.

Mutesa II, on the other hand, has never been more popular in all the years of his reign. He has become a legendary hero to Baganda and non-Baganda alike. He remains the most worldly wise and the best educated of his generation, better fitted to advise his ministers than they are sometimes to advise him. Far from regarding his newly-recognized status as a constitutional monarch as a signal to go into obscurity, his statements on his return read like a new political manifesto. His ultimate aim, he said, was 'self government for Buganda within the framework of a self-governing Uganda'. It is a fair sign that in African eyes the race to independence has reached the straight and may be expected to put on speed.

At the moment the race lies between Congress, whose leaders are looked on as demagogues and *novi homines*, and the traditional nationalists whose pride is in Buganda's ancient and aristocratic institutions. There is a natural conflict between the two Parliaments, the Great Lukiko and the Legislative Council, sitting within five miles of one another in Kampala. A complication is that the Congress leaders are Baganda too; their aim, some of them admit privately, is to see the Kabaka become constitutional monarch of all Uganda and not merely of Buganda. But here in turn Buganda chauvinism will meet the opposition of the remaining four-fifths of Uganda, now finding political voice for the first time.

A final inconsistency is Uganda's desertion, with support even from Government House, of the multiracial ideals held by her neighbours Tanganyika and Kenya. In fact there are 50,000 Indian settlers in the country (as many as there are European settlers in Kenya) all determined to stay and protect their wealth. Finding themselves without direct influence, the Indians will certainly try to work through African politicians, thus further muddying the pool of Uganda's politics.

### *The Socialist Merger and the Balance of Parties in Japan*

ON 12 October the Left-wing and Right-wing Socialists in Japan held separate meetings in Tokyo and declared themselves dissolved. The next day the two parties held a joint convention at

which they were officially reunited, thus ending a split that had lasted for almost exactly four years.

Negotiations for the Socialist merger (which has been a foregone conclusion since July) have closely paralleled those between the two main conservative parties. Indeed one of the principal motives for the Socialist unification was the apparent imminence of a merger between the Democrats and the Liberals which would have given the united conservatives overwhelming control of the Diet. In the event, the conservatives have been less successful than their rivals in reconciling the differences—largely personal—which divide them, but it is quite probable that the Socialist unification may now provide them with the necessary impetus.

The new united Socialist Party will command 155 seats out of the 466 in the Lower House. Although they will displace the Liberals as the main Opposition party,<sup>1</sup> they will still be far from commanding the majority which would enable them to put into effect their new joint policy.

This policy, which was announced on 9 October, involves a gradual reduction in the strength of the self-defence forces and a negotiation of non-aggression pacts with all countries, including the U.S.A., the Soviet Union, and Communist China. Such pacts would replace the current Security Treaty with the United States. On this important point it is clear that the views of the Left-wing Socialists (who contributed about 60 per cent of the Socialist strength in the Lower House) have prevailed. As recently as last July the Right-wing Socialists officially recognized the Security Act as an 'inevitable measure' to maintain Japanese security for the present, whereas the Left-wing has consistently opposed it as being one of the factors aggravating international tension in the Far East.

The domestic policy of the new Socialist Party also appears to reflect a certain preponderance of Left-wing influence. This policy is aimed at achieving economic self-sufficiency for Japan without American aid within five years of a Socialist accession to power; this is to be followed by a ten-year period during which essential plants and industries would be nationalized.

In view of these policies, one is not surprised to hear that the leader of the new party is Mr Suzuki Mosaburo, formerly leader of the Left-wing Socialists. It was Mr Suzuki, an ardent pacifist, who in 1951 headed the campaign for the Socialist 'three-Point

The Government (Democratic) party has 185 seats and the Liberals have 112.

Policy' of an 'overall' peace treaty, opposition to foreign military bases, and complete neutrality—the specific points which led to the Socialist split in October of that year. The chairman of the Right-wing Socialists, Mr Kawakami Jotaro, has been allotted the post of Supreme Adviser to the new party; Mr Asanuma Inejiro one of Mr Suzuki's principal antagonists in the dispute which led to the Socialist split four years ago, will be Secretary-General of the new party, a position which he has hitherto held in the Right-wing Socialist Party.

It is tempting to regard the recent unification of the Socialist parties as a step towards a two-party system in Japan, to be followed shortly by a similar unification on the part of the conservatives. It may well be, however, that the current trend towards 'polarization' in Japanese politics is more apparent than real. At the moment the Socialists are so busy stressing their points of agreement and minimizing their differences that it is hard to tell how far traditional divergences persist. It would appear, however, that the fissiparous tendencies among the Socialists are still strong, especially with regard to foreign policy. Although the Right-wing Socialists have agreed to the principle of replacing the U.S. Security Treaty with Locarno-type pacts embracing China and the Soviet Union, it remains to be seen to what extent they will accept the real neutralist implications of such a policy. A further potential point of disagreement is the extent to which Japan should divest herself of her already woefully inadequate defence forces.

It will be recalled that the Socialist Party has already been 're-united' once since the war, following its first split in 1950; on this previous occasion the merger between the left and right wings of the party lasted for eighteen months (from April 1950 to October 1951). Now that the two groups have had four years of independent existence in which to crystallize their differences, it would be unwise to assume that their merger will be a permanent feature of the political scene. Indeed Mr Kawakami himself, the Supreme Adviser to the new party, has already been quoted as being 'not too optimistic' about the future of the united Socialists.

#### *Arab Reactions to the Egyptian-Czech Arms Agreement*

THE correspondent of *The Times* in Cairo has rightly remarked that probably 'nothing since the Palestine war has so weakened the Western position in the Middle East as this affair of arms from Czechoslovakia'. One reason for this is that Arab unity is much

ore easily achieved for some emotional gesture of defiance of the West, which is what the Arab press has made of this affair, than for some more constructive effort. And secondly, the Arab world sees the West's refusal to supply arms *ad lib.* as intimately bound up with the Palestine problem which the Arabs hope to settle with the help of these arms from inside the Iron Curtain.

In the first few days after the announcement of the agreement the leader-writer of the relatively responsible Beirut *Orient* remarked: 'We have emphasized in this column 36,000 times that for the Arabs the Israeli peril is more real than the Communist peril,' and again: 'The time has come for America to choose between Israeli friendship and Arab friendship.' The Beirut *al-ayyat* recalled that clandestine arms from Czechoslovakia in 1948 had helped the Israelis to defeat the Arabs, but concluded: 'The Soviet decision gives us a new means of bargaining on the basis of our own interests.'

However, the visit of the U.S. Under-Secretary of State, Mr. George Allen, to Cairo and Beirut at the beginning of October, and rumours of a stiffening of American policy, seem to have induced a note of caution. On 7 October *L'Orient's* leader-writer commented:

In the present Middle Eastern situation neither the purchase of arms by Egypt nor their sale by the Soviet States is an end in itself. Both Moscow and for Cairo it is a card to be played in a vast negotiation. . . . For Moscow the supply of arms to an Arab State represents a cause of disturbance in a region which has hitherto been a close preserve of the West. If by virtue of this threat Moscow obliges Washington to extend to the Middle East the policy of *détente* introduced at Geneva, with the condition that the Soviet Government should receive certain satisfactions in this region, we may be sure that the Egyptian-Egyptian barter agreement will not be renewed, and the Arabs will declare that they have been tricked. . . .

It would be a great mistake to rely blissfully on the 'Red' arms. The Arabs would run the risk of being awakened by the sound of an American-Soviet agreement on a *modus vivendi*. The Arab States are not in a position to seek the support of Moscow seriously. In deciding to arm themselves their objective must be to negotiate a settlement in Palestine from a position of strength.

The writer had reaffirmed earlier that the Arab States had made their 'maximum concessions in limiting their claims to the U.N. resolution on the partitioning of Palestine, the internationalization of the Holy Places, and the repatriation of the refugees'. His cautious realism concerning the wider power-implications is in no

way to be regarded as characteristic of his less sophisticated colleagues in the Arabic press. It will take them some time to realize that a deal with the Communists is not a passport to the total independence which they crave. In the long run it is likely to involve their countries, at best, in haggling at which the Russians and their satellites will certainly be no more pliant than the West. At worst, it might result in the Arab States attaining the same 'independent' status as Outer Mongolia. . . .

## *The Middle East: Background to the Russian Intervention*

ETTERNICH once said of the French Revolution that when the French sneezed, the rest of Europe caught cold. The recent Russian initiative in the Middle East is having a similar effect upon the health of the West. That is not surprising. It must be many decades since there has been a stroke of diplomacy which has had so rapid and so profound an effect upon the balance of power. Even the announcement of the Truman Doctrine in 1947 fails to provide a parallel. For the intervention of the United States in the affairs of Greece and Turkey meant no more than the continuation of British policy in the area by a more powerful agency than the British could provide. On the other hand the offer of military and economic aid to the Arabs by Russia and her satellites has introduced an entirely new element into the confused and tangled politics of the Middle East.

Strategically the Middle East—the Arab States, Israel, and Persia—is of course every bit as important to the West as Greece and Turkey. Economically it is a great deal more important, containing as it does over 60 per cent of the world's proved reserves of oil. It might therefore have been thought that, just as the Americans stepped into Greece and Turkey in 1947 to take over the role of the British, so they would take over in the Middle East when after the war it became clear that Britain's military and economic strength could no longer support the cost of her traditional policy in that region. And the combination of American resources with British experience would indeed have been formidable if it could have been applied to the defence and development of the Middle East. As things were, Anglo-American economic rivalries, British jealousy of America's new power, American suspicion of British colonialism, Arab fear of imperialist motives in Washington and London, and above all the belief in Cairo and Baghdad and Damascus that the Arabs had only the British and the Americans to thank for the creation of Israel—all this combined to produce insurmountable obstacles to any such combination. The result has been that for the past ten years it has been impossible to construct in the area any really comprehensive system of collective security, still less to link the defence of the Middle East as a whole with the A.T.O.; and the state of the Middle East might fairly be de-



scribed as approximating very closely to the power vacuum of the political philosophers.

But if the Middle East is strategically important to the West it is also of strategic importance to the Russians. The Northern frontiers of Turkey and Persia are shared with those of Russia. They are dangerously close to some of her vital industrial centres. Moreover the aim of Russia to push down towards the Persian Gulf is as old as Peter the Great. That aim has been reaffirmed lately as November 1940 after the Hitler-Molotov conversations. Its attractions have been greatly enhanced by the rich reserves of oil since found there which Russia would thereby acquire and deny to the West. Above all, the economic and social misery in which the majority of the people live is such that they are ready to believe—like the people of Eastern Europe twenty years ago—that their lot would certainly be no worse under a Communist regime. The economic progress made by the many millions of Muslims who live under Soviet rule in Central Asia is a perpetual theme of Russian propaganda to the Middle East. It is easy to see why. The new heaven and the new earth which the Russians can offer the people of the Middle East are certainly the most powerful weapons in their armoury. That of course is the reason why the Middle Eastern countries which oil has made rich are making such desperate efforts to improve their standards of living by development programmes. It is why those such as Egypt which have no oil are spending so much time and effort on schemes like the High Aswan Dam plan and the Jordan Valley project, and why the Americans have laid such emphasis on Point 4 Aid for the Middle East. But the trouble about all such schemes is that, even if they are completed, it will necessarily be a matter of years before the planners can point to any really appreciable improvement in the standard of living, and time may not be on their side.

Nevertheless Russian policy, though quick to seize any opportunity in Europe or the Far East, has during the past ten years been remarkably inactive in the Middle East. After the war, it is true, Russia's failure to withdraw her troops from Northern Persia was followed by the Azerbaijan incident, settled at the United Nations in 1946. There was a similar attempt to set up an independent Kurdistan shortly after. But the resistance of the West and the failure of action on these lines to produce positive results seems to have convinced the Kremlin that the West regarded the Middle East as too important for open aggression by Russia in the

area to be tolerated. Even the half-hearted attempt to assert a Russian claim to the Turkish provinces of Kars and Ardehan was dropped two years ago. Russian action has been limited to criticizing every move of the West and to underground subversion—of which the history of the Tudeh party in Persia provides a good example. Even on the issue of Israel, Russia carefully refrained from taking sides. All in all, it may well have been the view of the Kremlin—until last month—that the economic and social forces already at work in the area could safely be left to do their work, and that as a result conditions in the Middle East would ripen slowly into a pre-revolutionary situation. If so, then clearly it would pay the Russians to wait, and to avoid any major initiative.

In the meantime Western policy—at any rate during the past few years—has been overshadowed by three major problems: Egypt, the Persian oil question, and above all the need somehow or other to bring Arabs and Jews together. Last year saw a settlement of British difficulties with Egypt in which it is important to remember that the British retain the right to re-occupy the Suez base in the event of an attack not only on the other Arab States but on Turkey. The Persian oil question, also, was settled in the same year. On the other hand the problem of Israel has eluded all attempts to find a solution.

The truth is that there is a fundamental difference in the importance which the West and the Arab States attach to the problems of the Middle East. To the West, the vital need of the Middle East is to establish a comprehensive system of collective security and to raise the standard of living, in order to create a military, an economic, and a social bulwark against a possible assault from the North. To prevent the overrunning of the Middle East by Russia is, it is true, a selfish interest of the West. At the same time it is a piece of enlightened self-interest, because it would hardly be in the interest of the peoples of the Middle East either. But to the Arabs the vital problem is not Russia but Israel. The Arabs do not believe in the risk from the North. On the other hand, they have never reconciled themselves to the existence of Israel in their midst. Indeed they are reminded of it every day by the million Arab refugees from Palestine harboured in destitution by the Arab countries which lie on Israel's frontiers; and seven years after the proclamation of the new State of Israel, the Arab States are still enforcing a complete economic blockade of the country. This basic difference has proved fatal to any hopes that the West

may have entertained that it would be possible to build an embracing Middle East Defence Organization on the model N.A.T.O.<sup>1</sup>

On the other hand, Turkish diplomacy has achieved a remarkable, though limited, success in this direction. The Ankara pact of 1953 proved that it was possible to draw within the Western defensive system a country which would itself undertake no such commitment to the great Powers of the West. For Yugoslavia which refused, and still refuses, to become a member of N.A.T.O. was in the interests of her own self-defence quite ready to ally herself to Greece and Turkey, which are themselves members of N.A.T.O. The Turks evidently felt that this precedent might well be applied to the Middle East. For such an exercise the Turks were well equipped. They are not Arabs, of course, but they are Muslims, and there are close ties of friendship between them and some of the leading statesmen of the Arab world. The Prime Minister of Iraq, Nuri Pasha, for instance is of Turkish origin. The Turco-Iraqi pact signed early this year was the result of this approach. Once Iraq had agreed to ally herself with the Turks, the difficulties which prevented the approval by Baghdad of the ill-fated Portsmouth treaty of 1948 between Great Britain and Iraq seemed to fall away. Great Britain announced her adherence to the Turco-Iraqi pact, and gave up her rights in the great basins of Habbaniya and Shaiba. Early in September Pakistan also announced her formal adherence to the pact. The construction of the so-called 'northern tier' of States allied with the West seems to be nearing completion.

But the action of the Iraqis caused a deep cleavage throughout the Arab world and aroused bitter feelings, particularly in Egypt. Iraq, after all, is one of the most important members of the Arab League, the moral leadership of which Egypt has always claimed, and Egyptian pride was deeply wounded by Iraq's deviation. What is far more important, Turkey recognizes Israel and enjoys friendly relations with that country. It did not follow that, by allying themselves with the Turks, the Iraqis were necessarily preparing to do a deal over Israel, but it could be and was represented as a breach in Arab solidarity on the issue which all Arabs regard as of overriding importance. The Egyptian Government therefore promptly announced its intention of setting up a new

<sup>1</sup> Some evidence for this difference will be found in a Note of the Month, p. 461.

Arab Defence League, membership of which would be confined to those States which refused to ally themselves with Iraq. The dynastic feud which for a generation and more has divided the Hashimites of Iraq from the descendants of Ibn Saud was itself enough to bring Saudi Arabia into the Egyptian camp on this issue. Egypt and Saudi Arabia were soon joined by Syria, which has always been suspicious of Iraqi imperialism, and particularly of Iraqi dreams of establishing a union between the States of the 'fertile crescent'. By the beginning of the summer, therefore, Iraq and Jordan, the latter still allied to Great Britain under the treaty of 1948, were ranged on one side; and Egypt, Saudi Arabia, and Syria on the other, with the Lebanon sitting on the fence and vainly attempting to mediate between the two factions.

As the summer wore on, the worsening of the situation in the Gaza strip and the constant clashes between Egypt and Israeli troops seemed to lend force to Egypt's contention that it was only of Israel that the Arabs needed to be afraid. July brought general elections in Israel, and the coming to power of men who will rely for their support to a far greater degree than their predecessors upon the more aggressively-minded elements, such as the Herut. This, again, seemed to show that the Egyptians were right; and there were indications that even in Iraq the view was widely held that the Government had gone beyond public opinion in signing the pact with Turkey. Indeed it may well be that if any other Government but that of Nuri had been in power in Baghdad the pact would never have been signed at all. Thus August saw a hardening of opinion in the Arab world on the issue of Israel. It is true that Egypt made little progress in her attempts to create an anti-Iraqi Arab Defence League. On the contrary, relations between Egypt and Iraq have steadily improved throughout the summer. But a Cabinet crisis in the Lebanon brought to power a new Government under Rashid Karama which announced early in September that it would have nothing to do with the Turco-Iraqi pact, so that after months of hesitation the Lebanon at last came down firmly on the Egyptian side. Moreover, the results of the Buraimi arbitration if anything confirmed the Saudi Arabians in their support of Egypt on the issue of the pact. And by September the cleavage in the Arab world was complete. Meanwhile the position of Turkey, the keystone of the 'northern tier', had been seriously weakened. No solution had been found for her growing economic difficulties, and even in Washington Mr Menderes had

failed during the summer to obtain the financial assistance the country needed. Neutralism in Yugoslavia had shaken the E Pact at one end, and the rapid deterioration of Turco-Greek relations as the result of the London conference on Cyprus had shaken it at the other.

The timing, as well as the content, of the Russian intervention in the Middle East has therefore been masterly. It finds the States of the Middle East sharply divided among themselves, relations between the Arabs and the Israelis (if it is permissible to speak of relations in this context) worse than they have been since 1948, Turkey in crisis, and the British under contract to withdraw their last troops from Egypt in a matter of months to a new Middle Eastern base in Cyprus of which the security is to say the least doubtful. It must be admitted that Russia's intervention has cast the West off its guard. For the real significance in the cold war of her offer of military and economic aid to the Middle East seems to be the assertion which lies behind it of her right to be consulted in the affairs of that area. That is a right which, outside the measures of the Assembly and the Security Council and the other organs of the United Nations, the West has ignored consistently for thirty years. Yet once the right has been asserted it is hard to see on what grounds it can be contested, for as has been seen Russian interests in the area are real. Nor is the West in a position to threaten the Kremlin off the Middle East, as the Kremlin would certainly do if the West attempted a similar intervention in the affairs of the satellite countries of Eastern Europe. On the contrary, the States of the Middle East, unlike the East European satellites, enjoy complete independence of action. They are therefore free to accept or reject Russian intervention as they wish. There are certainly no juridical grounds on which the West can challenge Russian intervention or prevent the Middle East from accepting Russian help.

At the same time there can be no doubt whatever that the offer of arms to Egypt, Saudi Arabia, and Syria has brought the danger of a conflict in the area appreciably nearer, and indeed it may prove to have been an error of tactics in the Kremlin, at a time when the Geneva spirit has presumably not altogether evaporated, that their intervention should not have been confined to economic aid. For the offer of arms to the Arabs of course makes nonsense of the tripartite agreement of 1950 whereby the British, French, and the Americans attempted to hold a balance between

the military strength of the Arabs and the Israelis. It seems to be true that the Israelis have managed to obtain arms in spite of and outside this arrangement, whereas the Arabs, and particularly the Egyptians, have not been so fortunate. Nevertheless the Israelis would not be human if they did not now intensify their efforts to increase their supply, and the dangers of an arms race between the two sides are plain for all to see. What is more serious is the risk that Israel's new Government may be tempted to embark on a preventive war before the Arabs' superiority in weapons becomes too great. Such a disaster might be avoided if the Russians offered to associate themselves with the tripartite agreement and the present signatories consented. It may well be that it is the Russian intention to produce a situation in which the West would be forced to accept such a suggestion. That certainly would establish once and for all Russia's right to be consulted about the Middle East.

If the Russian offer of arms to the Arabs can be criticized because it brings war nearer, no such criticism can be levelled at the offer of economic aid. Nor can the right of the Arabs to accept economic aid be challenged. Outside the oil-bearing countries the Middle East is desperately short of capital. In Egypt the population is increasing so rapidly that even if the High Aswan Dam scheme is realized, and even if it produces all the benefits the planners hope for from it, the result will be only to keep the standard of living at about its present level. If the money needed to pay for such schemes cannot or will not be provided by the West, are the Egyptians to be blamed for accepting it from behind the Iron Curtain? And if the Jordan Valley scheme propounded by the West is unacceptable to the Arabs because the West insists that Israel should be brought in on it, are the Arabs to be blamed for obtaining the money for their own scheme from the Russians? Marshall Aid for Europe had a political as well as an economic objective—to strengthen Europe against Communism. If the West omitted to produce a Marshall plan for the Middle East, it is not surprising that Russia should produce its own kind of Marshall Plan for that vitally important area, or that Russian economic aid should similarly have a political object behind it.

That, of course, is the trouble. The Arab States do not see, or at any rate will not openly admit, that there can be any ulterior motive behind the Russian offers. Colonel Nasser has indignantly refuted the suggestion that the offer of arms will be followed by Russian technical missions, and perhaps that will be so. But

Syria and Saudi Arabia may soon find themselves inundated with military experts from behind the Iron Curtain, and as for economic aid, it is hard to think that Egypt will be able to accept Russian money to finance the Dam and at the same time to refuse to employ Russian engineers. On the contrary, it certainly looks as if the Arab countries which accept Russian assistance will throw themselves wide open to Russian political infiltration and subversion. It is frankly impossible for anyone in the West to believe that the Arab offers are to be taken at their face value, or that they have been made merely because Russia and her satellites have surplus military equipment and surplus manufactures and machinery to get rid of in exchange for the raw materials of the Middle East such as oil and cotton. Nor is there anything in Russia's recent history which would conceivably justify the holding of such a view. On the other hand, it may be that in Cairo, in Damascus, and in Riyadh the Governments are well aware of the risks they are running in accepting Russian aid, but have nevertheless decided to run them—either because they think the West will now try to outbid the Russians with more favourable offers, or because they are confident that they are clever enough to frustrate the political motives which the Russians harbour behind them.

If so, the Arab States are certainly playing with fire. And it would be wise to reflect on the case of Persia. For the last 150 years Persia has been careful to avoid committing herself to Russia or to the Western Powers, and has followed a policy of the strictest neutrality. True to this traditional policy, she steadfastly refused to adhere to the Turco-Iraqi pact, and even as recently as September 1954 rejected the suggestion made by Mr Menderes during his visit to Tehran that she should join forces with the Turks, the Iraqis, the Pakistanis, and the British. But within a few weeks after the arms deal between Colonel Nasser and the Czechs was announced, Persia took the plunge and decided to adhere to the Turco-Iraqi pact, and as a result the 'northern tier' of allied States now stretches from the Bosphorus to the Hindu Kush. Now Persia is the only country of the Middle East which has had actual recent experience of what a Russian occupation can be like. It is of the highest significance for the other countries of the Middle East, therefore, that she did not finally throw in her lot with the West until the Russians showed their hand in the Middle East, and that when confronted with the choice between Russia and the West she unhesitatingly opted for the West. The Arab States

he Middle East are rightly jealous of their newly won independence from the so-called imperialist Powers of the West. Before they go too far with the Russians, they would be wise to ask themselves whether they may not be exchanging one kind of imperialism for another.

B. S.-E.

## *The Four Powers and Germany*

### *The Reunification Issue*

AFTER the Geneva Conference in July, some commentators<sup>1</sup> pointed out that, despite a relaxation of tension and the creation of what has come to be called the 'spirit of Geneva', there was little prospect that the Foreign Ministers' Conference in October would be likely to make concrete progress on the agenda drawn up by the Heads of States, of which the first item was European security and German reunification. The Foreign Ministers are at present meeting in Geneva and it is conceivable, if hardly likely, that the prophets may be confounded. In any case it is perhaps worth while to try to set down some of the events and developments of the past three months which must form a background to the Foreign Ministers' discussions on reunification and security. But there are obvious dangers in the selectiveness which a short article makes necessary. Events, agreements, and speeches taken out of their wider context may give a false emphasis. Again, the warning that 'things are seldom what they seem' is a particularly relevant one in this connexion. What will be attempted here is to highlight recent statements and proposals made by representatives of the Four Powers and recent agreements which have a bearing on the question of German reunification and European security, and finally to give some official and unofficial German comment and opinion on them.

At the July meeting, it will be recalled, Sir Anthony Eden made certain proposals designed to meet Soviet fears concerning a reunited Germany within N.A.T.O. These were, first, a security

<sup>1</sup> See, for example, *The World Today*, September 1955, pp. 365-9.



pact between the Four Powers and a united Germany to be included under the authority of the United Nations, and to include the provision that each member country should declare itself ready to go to the assistance of a victim of aggression. Secondly, Anthony proposed that an attempt should be made to agree on a total of forces and armaments on each side, in Germany and neighbouring countries, which would involve a system of reciprocal control. Lastly, he suggested the establishment of a militarized area between the forces of East and West facing another in Germany. In his concluding speech, Sir Anthony said that, thanks largely to President Eisenhower's initiative which led to a new spirit of conciliation, the directives to the Four Foreign Ministers contained the essentials of a comprehensive settlement. Marshal Bulganin's final speech, however, though he too recognized that the Conference had helped to lessen tension and create confidence, emphasized the Soviet view that the most important issue remained European security, and he outlined proposals for a two-stage collective security pact, the first stage of which might last two to three years, during which Germany would remain partitioned (though both Germanies would participate in the pact), achieving unification only at the second stage when existing military blocs had been disbanded.

There is reason to believe that during preliminary discussions between the Western Foreign Ministers, first in New York and then in Paris, Sir Anthony's suggestion for a demilitarized zone on either side of the Oder appears to have developed into a proposal for thinning out troops in this area in order to avoid a military vacuum. But, on the other hand, it is likely that the Western Powers will propose a guarantee of assistance to the U.S.S.R. and the satellite States in the event of any of them being attacked by the future united Germany, the guarantee to come into effect in stages concurrent with reunification.<sup>1</sup> A statement by the British Foreign Secretary suggested, however, that the Western Powers were not hopeful of achieving agreement on German reunification at the meeting to be held at Geneva in October. Mr Macmillan said that the concept of the long haul, already familiar in the context of disarmament, must now be applied to diplomacy. If the Soviet motive in clinging to East Germany and other territories was not military but political, if it was no longer self-defence against aggression but the evangelistic urge of international Communism,

<sup>1</sup> *The Times*, 11 October 1955.

unism, the end of the Western Powers would only be attained after much patient and wearisome debate.<sup>1</sup>

#### THE SOVIETS AND THE TWO GERMANIES

The three months which have elapsed since the Heads of States met at Geneva have, indeed, seen developments which make it difficult to feel hopeful of progress on German reunification and European security. When dealing with the Western Powers, the Soviet Union has seemed to emphasize the importance of progress in the field of disarmament rather than of mere guarantees of Soviet security in the event of the Government of a future united Germany choosing to remain within N.A.T.O. In its dealings with the Governments of the Federal Republic and of the German Democratic Republic, the Soviet Government has taken a number of positive steps the significance of which it is not yet easy to estimate.

Before the Conference, on 7 June, the Soviet Government had invited Dr Adenauer and other representatives of the German Federal Republic to pay a visit to Moscow in the nearest future to discuss the question of establishing diplomatic relations and developing trade between the two Governments, since the preservation of peace depended decisively on the existence of normal good relations between the Soviet and German peoples. When this visit took place in September the Soviet Premier, Marshal Bulganin, pointed out in the course of discussion that the Soviet Government had many times declared that the Paris Agreements would in no way accord with the interests of German reunification. He said that 'the participation of Western Germany in military alignments directed against the Soviet Union and other peace-loving European nations, together with the remilitarization of Western Germany, is not the way to bring about the reunification of Germany. . . . This question could not be settled properly unless and until the German people united their efforts and got down to solving it. The Soviet Union recognized that the Four Powers had obligations in this matter, but the reunification of Germany above all a matter of concern for the Germans themselves.'<sup>2</sup> Immediately before his return to the Federal Republic, Dr Adenauer set out in a letter to Marshal Bulganin the reservations

<sup>1</sup> *The Times*, 23 September 1955

<sup>2</sup> B.B.C., Monitoring Report, Supplement to the Summary of World Broadcasts, Part I, No. 657, 16 September 1955

made by his Government in agreeing to diplomatic relations between the Federal Republic and the Soviet Union. These relations, he said, in no way affected the position of the Federal Republic as the only Government entitled to speak for Germany, its previous declaration that the final settlement of German frontiers could only be reached in a peace treaty.<sup>1</sup>

Immediately after the departure of Dr Adenauer and the Federal German delegation from Moscow, a delegation from the German Democratic Republic arrived there, and on 21 September a treaty was signed on the relations between the G.D.R. and the Soviet Union. During the discussions Marshal Bulganin repeated the thesis he had developed to Dr Adenauer, and added, 'It is to say it will evidently be necessary to reckon for some time with the existence of two States in Germany, the G.D.R. and the Federal German Republic'.<sup>2</sup> The three Western Powers sent separate Notes to the Soviet Government about these Soviet/German agreements in which they reaffirmed the undertakings previously given to the Federal Republic in the Bonn and Four-Power Agreements that they recognized the Federal Government as the only German Government freely and legitimately constituted and therefore entitled to speak for Germany as the representative of the German people in international affairs,<sup>3</sup> and that the final settlement of Germany's frontiers must await a peace treaty with reunited Germany. They also asked the Soviet Government for an assurance that Russia intended to respect her Four-Power obligations on communications between Berlin and Western Germany.<sup>4</sup>

The position of the Western Powers on the eve of the German Conference of Foreign Ministers was, then, that the achievement of German reunification on the basis of their treaty obligations and the agreement between the Four Powers, remained their first aim, and that they would offer the Soviet Union security guarantees against any aggression by a reunified Germany. The British Government has, moreover, given evidence of its willingness to make conc

<sup>1</sup> The Bundestag, when it unanimously approved on 23 September the opening of diplomatic relations with the Soviet Government, 'adopted as its own this declaration of the Federal Chancellor'

<sup>2</sup> B.B.C., Monitoring Report, Supplement to the Summary of World Broadcasts, Parts I and IIA, No. 659, 23 September 1955, p. 14.

<sup>3</sup> Cmd. 9289, p. 10, and Cmd. 9304, p. 56.

<sup>4</sup> See Note in *The World Today*, October 1955, p. 414, for an East German statement that the Government of the G.D.R. proposed to negotiate directly with the Government of the Federal Republic on this subject.

reductions in the U.K.'s conventional armed forces (to the extent of approximately 100,000 men) through the announcement of a delayed call-up to National Service.

Another example of the Soviet attitude towards the Foreign Ministers' Conference was given on the occasion of the sixth anniversary of the founding of the German Democratic Republic, celebrated in Berlin on 6 October in the presence of a Soviet Government delegation. The delegation's leader, M. Suslov, member of the Praesidium and Secretary of the Central Committee of the Communist Party in the Soviet Union, in a long speech of congratulation on the achievements of the G.D.R., also referred to the theme of German reunification and the forthcoming Geneva Conference. It was common knowledge, he said, that as a result of the Geneva meetings of the Heads of States 'a certain easing of international tension had been attained, to the satisfaction of all the peoples of the world'. Since Geneva the Soviet Union had continued by its actions—by the cut in its armed forces of 640,000 men, and by restoring the Porkkala base to the Finnish Government—to work for further relaxation of tension. At the October Geneva Conference 'the question of disarmament, the banning of atomic and other weapons of mass destruction, and the creation of a system of collective security in Europe should be ranked as the international problems primarily agitating the minds of the peoples of all countries. . .'. Certain Western politicians were diligently putting forward the viewpoint that the success of the Conference depended on the solution of the question of German reunification. Every serious-minded person understood that, when Western Germany had become a party to such military groups as N.A.T.O. and W.E.U. and had started remilitarization, the question of reunification had been seriously complicated and was now not so easy to solve. The real ways of solving the problem consisted in creating a system of collective security in Europe which would lead to a liquidation of military groupings and the establishment of stable peace and security in Europe, to the promotion of trust among States, and to the rapprochement and strengthening of co-operation between the existing two German States, the German Democratic Republic and the German Federal Republic. The Soviet Union 'has always proceeded from the belief that the question of re-establishing German reunity was primarily the business of the Germans themselves. This task could be considerably facilitated by extensive co-operation between the G.D.R.

and the Federal Republic in all spheres of international German life and in conditions of complete equality'.

It was quite obvious, Mr Suslov went on, that 'without agreement between Germans of East and West, without the establishment of contact and relations between them, without co-operation and mutual efforts' by the two Governments, 'the question of Germany's reunification cannot be settled. . . . Certain circles in the West must realize once and for all that, especially in the present conditions, all attempts to revive the bankrupt "policy of strength" in solving the German problem are unrealistic. . . . The Soviet people are striving to establish good neighbourly and friendly relations with the entire German people. . . . They sincerely believe that the recent establishment of diplomatic relations with the German Federal Republic will be to the good of the German and Soviet peoples, to the good of world peace. It goes without saying that the German Federal Republic's claims to represent all Germany cannot be of any significance. In the course of the Moscow talks the representatives of the German Federal Republic were told clearly and definitely: the German Federal Republic is only one part of Germany and exercises jurisdiction over the territory under its sovereignty. The other part of Germany is the German Democratic Republic' which 'is by no means some sort of "geographical conception"'. It is an objective and quite weighty reality which firmly exists, develops, prospers and has a great future'.

#### UNOFFICIAL PROPOSALS FOR A LONG-TERM SOLUTION

Before returning to reactions in the Federal Republic to the events of the past three months and also, directly or by implication, to the Geneva Conference, it is perhaps worth while to mention two suggestions which might seem to offer some hope—all in the long-term—of a solution to the apparent deadlock on German unification and European security.

One of these suggestions was made in Strasbourg, when the General Affairs Committee of the Council of Europe recently forwarded a four-point plan for the Geneva Conference which called for the unification of Germany, a European security system,

<sup>1</sup> *Soviet News*, 7 October 1955. It is here perhaps not irrelevant to refer to figures for refugees coming into the Federal Republic from the G.D.R. The numbers coming have doubled during the last six months. In August 1955 there were the highest for two years, 25,690. For September the figures were 28,183, of whom 15,321 (or 54 per cent) were under twenty-five. (*Manchester Guardian*, 14 October 1955.)

agreement on world-wide disarmament, and European integration. Under this plan, no security system could be reached with the Russians and the satellite States unless they had first agreed to German reunification;<sup>1</sup> but according to the Chairman of the Committee, M. Menthon, the security arrangements then worked out might offer a modification of N.A.T.O. provided they were considered as part of a general disarmament agreement.<sup>2</sup>

The other suggestion comes from the U.S.A. The U.S. Government has not yet taken any steps towards the reduction of conventional armaments on the basis of the Anglo-French proposals put forward in the Disarmament Sub-Committee and later adopted by the Russians in a modified form in their proposals of 10 May. Indeed Mr Foster Dulles, in a speech to the American Legion on 10 October, seemed to envisage very slow progress towards agreement, and emphasized the United States' refusal to consider any form of German neutrality; but he also spoke of the force of public opinion which might in the end compel the Soviets to withdraw from Eastern Germany.<sup>3</sup> There have been, however, some unofficial discussions in the United States of a European security system which follows the same lines as the Strasbourg proposal but strengthens it by envisaging 'a European group stretching from the Atlantic to the Urals, which would also include the United States and probably Canada, the two trans-Atlantic members of N.A.T.O.', thus reducing 'the potential threat of a unified and rearmed Germany to the lowest possible point.'<sup>4</sup> But if this proposal contains the essential element, in the eyes of the Western European Powers, of keeping the United States within a European security scheme which also contains a reunited Germany, it may nevertheless not prove attainable within a sufficiently short period of time effectively to counter developments within Germany in which the Soviet Government seems to be reckoning and which it will certainly do everything in its power to encourage.

#### OPINION IN THE FEDERAL REPUBLIC

The return of some thousands of German prisoners of war, which was promised by the Soviet Premier at the end of the Federal Chancellor's visit to Moscow, has naturally brought Dr

<sup>1</sup> No indication is given in the programme of the terms on which reunification was to be attained.

<sup>2</sup> *The Observer*, 16 October 1955

<sup>3</sup> *The Times*, 11 October 1955.

<sup>4</sup> *Foreign Policy Bulletin* (Foreign Policy Association, New York), 15 August 1955.

Adenauer gratitude and renewed support from the German people. So long as he remains Chancellor, there will be no change in the policy of the Federal Government. Nor is there reason to suppose that most Germans in the Federal Republic would barter their right to belong to the Western world even for the prospect of immediate reunification. But the constant reiteration of the Soviet Union's attitude, and perhaps also the new possibilities seemingly offered by the exchange of Ambassadors between Bonn and Moscow, have not been without effect in the Federal Republic. There are trends of opinion which suggest that Dr Adenauer's task in maintaining support for his policy may become increasingly difficult if agreement cannot be reached between the Four Powers.

During the debate in the Bundestag on the Chancellor's visit to Moscow in which the establishment of diplomatic relations with the U.S.S.R. was unanimously approved, Herr Ollenhauer, leader of the Social Democrat Opposition, spoke of a danger that the Germans would become the 'last Mohicans' of the cold war if the East and West were to agree on a security system based on the *status quo* in Germany.<sup>1</sup> He agreed, however, in his speech that it would have been wrong to bring the Paris Treaties into the discussions at Moscow since 'a German Government should never put its loyalty to treaties in doubt'. But the Social Democrats have nevertheless suggested that the Paris Treaties might be revised. In seeking to introduce a motion for a debate in the Bundestag on West German policy for the Geneva Conference, the speaker referred in this connection to Article 10<sup>2</sup> of the Bonn Convention on relations between the Federal Government and the former occupying Powers. (It should perhaps here be pointed out that though the Bonn Conventions are included among the 'documents' agreed by the Conference of Western Foreign Ministers held in

<sup>1</sup> *Süddeutsche Zeitung*, 24, 25 September 1955

<sup>2</sup> This Article runs

'The Signatory States will review the terms of the present Convention and the related Conventions

(a) upon request of any one of them, in the event of the reunification of Germany or an international understanding being reached with the participation or consent of the States parties to the present Convention on steps towards bringing about the re-unification of Germany, or the creation of a European Federation, or

(b) in any situation which all of the Signatory States recognize has resulted from a change of a fundamental character in the conditions prevailing at the time of the entry into force of the present Convention

'In either case they will, by mutual agreement, modify the present Convention and the related Conventions to the extent made necessary or advisable by the fundamental change in the situation' (Cmd 9368)

Paris, 20-23 October 1954',<sup>1</sup> they are not in fact part of the revised Brussels Treaty and its Protocols under which the Federal Republic became a member of W.E.U. and undertook to contribute to N.A.T.O.) This suggestion has even received support among members of the Free Democratic Party which forms part of Dr Adenauer's Coalition Government, whereas his own party, the C.D.U., in opposing the S.P.D. motion for a debate on West German policy for Geneva, declared that a discussion of a revision of the Paris Treaties 'before the Conference' would tend to damage the position.<sup>2</sup>

Later, at its annual conference on 16 October, the B.H.E. Refugee Party, which hitherto has also formed part of the Coalition Government, decided to go into opposition, thereby depriving the Chancellor of the two-thirds majority he needs for any legislation which requires revision of the Constitution.<sup>3</sup> The Conference also passed a resolution on foreign policy which, while declaring the loyalty of the German people to the free peoples of the West and referring to the Paris Treaties as a reality, called for their modification in the interests of German reunification and for a prior decision on the status of a reunified Germany in any new system of European security.<sup>4</sup>

It is perhaps not unfair to describe this trend of opinion as representing a growing West German demand that the Western Powers should modify the terms of the Paris Treaties and forego a military contribution to N.A.T.O. by the Federal Republic in order to make more palatable to the Soviet Government a rapid reunification of Germany on the basis of free elections supervised by the Four Powers. The aim would thus seem to be the creation of a united Germany which, while standing politically within the free world, would presumably not contribute to Western defence, and would thus not represent a danger to the security of the Soviet Union. The last few months have also, however, seen the formulation of a neutralist policy, for the withdrawal of all foreign troops and a united Germany free of alliances. There are in existence different versions of these proposals. One has come to be associated with the name of Major Bonin,<sup>5</sup> whose first 'plan', made public

<sup>1</sup> Cmd 9304.

<sup>2</sup> *The Times*, 28 September, *Süddeutsche Zeitung*, 28, 29 September 1955.

<sup>3</sup> e.g. legislation concerned with the raising of armed forces

<sup>4</sup> *Manchester Guardian*, 17 October 1955

<sup>5</sup> A former member of the staff of the 'Amt Blank' (now the Federal Defence Ministry) who was dismissed for insubordinately publishing his plan without permission



in March 1955 and now modified, was for a small voluntary man army of 150,000 men for defence purposes operating zonal frontiers. In October, at a press conference, he said that he had changed his mind about a German defence on the ground that only the power of atomic retaliation can effectively guarantee frontiers. His new proposal calls for the creation of Four Powers of security arrangements, which he considers the principal condition of unity, while internal German questions are dealt with jointly by representatives of the Federal Republic and the G.D.R. To work out an all-German electoral law a committee of twenty-one members should be set up, seven from the Federal Republic and West Berlin, seven from the Soviet zone and East Berlin,<sup>1</sup> and seven representing the Four Powers but will be German-speaking nationals of 'States which did not renege on Germany in the last war'. Major Bonin is now closely associated with a recently founded paper, the *Rheinische-Westfälische Nachrichten*, which, though it has only a small circulation, consistently and skilfully supports neutrality for Germany. According to West German sources, it is believed to be financed by the Soviet Union.

A group composed of lawyers, economists, and civil servants who have left the Soviet zone during the past six or seven years (known as the *Königsteiner Kreis*) has for some time been concerned with problems of unification, since it believes that it is important to the interest not only of Germans but of the free world to achieve German unification before the population of the G.D.R. has become irrevocably lost to the West, chiefly through the influence of the rising generation of an educational system under Communist control. The group has worked out a series of proposals envisaging free elections, to be held with the approval and under the authority of the Four Powers, but to be negotiated between the Federal Republic and the G.D.R., though without implying recognition of the latter by the former. The setting up of a provisional all-German Government must be followed by the approval by the Western Powers and the Soviet Union of the former German Republic and the former G.D.R. from their respective obligations under the Paris and Warsaw Agreements. After the conclusion of a peace treaty in which the boundaries of a united Germany are settled, the German Government would be permitted to

<sup>1</sup> The population of the Federal Republic is now nearly 50 million and of the G.D.R. 17 million.

military forces of a given strength and equipment under the control of the United Nations. The Government of united Germany would be bound not to enter into military alliances for a period of twenty years except with the consent of the Four Powers. The Four Powers would conclude simultaneously with the peace treaty a general European security pact open to all European Powers including Germany, and also to the United States, and giving guarantees against military aggression to all signatories.

The assumptions underlying these proposals are that detailed arrangements for free elections must of necessity on technical grounds be made by East and West Germans themselves; that such elections will result in a large anti-Communist majority so that, even if neutralized by international agreement, united Germany would be Western in sympathy; and, finally, that, since the Americans in particular will not want to keep their troops in Germany for long, any more than Germans will want them there, it is a mistake to delay reunification until it can be achieved on the conditions at present laid down by the Western Powers and thus by implication on the basis of the existing treaty obligations of the Federal Republic.

These views are not set down here because they are held by any effective section of German public opinion today, but because they give an indication of arguments that may become influential if the Four Powers are unable to agree in the reasonably near future on German reunification. It is not infrequently argued outside Germany<sup>1</sup> that Germans living in the Federal Republic do not want reunification unless it can be achieved at little cost to themselves, without cutting them off from the West and endangering their freedom. Be that as it may, no Federal Government could for long acquiesce in what is sometimes described in the German press as 'co-existence before reunification', arrived at by agreement between the Four Powers, no matter how hard the Western Powers had striven to carry out their pledges. Those Western Germans who favour what may be termed a kind of compromise reunification leading to a united alliance-free Germany with limited forces under United Nations guarantee and forming part of a general system of European security, find it easy to convince themselves that the Western Allies would benefit almost automatically. With the present causes of tension removed and with the United States participating in the security agreement, they argue, the Allies

<sup>1</sup> e.g. Melvin J. Lasky, in *Foreign Policy Bulletin*, 1 September 1955.

would be as strong as they would with Germany in N.A.T. be aware of the existence of these trends of opinion is to be warned of the difficult decisions which may face the Government and the German people without in any way to exaggerate their significance. The result of the Saar plebiscite is not likely to make those decisions easier.

H. C.

### *Towards a Federal Gold Coast?*

WITH the approach of full self-government in the Gold Coast, the internal divisions which were submerged in the national enthusiasm of the past ten years are coming to the surface.

The existing main divisions of the territory are as much the result of historical accident as are its external frontiers, but they do have a certain rough correspondence to ethnic grouping. The Colony area is that which was gradually brought under British control by a series of treaties with the different chiefs. It is ethnically homogeneous, but the majority of its population are Fanti. Ashanti was annexed after military conquest in 1900. Its boundaries were defined only then. Its people closely resemble the Fanti in language and culture, but are their hereditary enemies. The richest cocoa-growing areas are in Ashanti, and Kumasi, its capital, could fairly be described as the commercial capital of the Gold Coast. All those who regard themselves as Ashanti recognize the leadership of the Asantehene, Nana Sir Otumfuo Agyemang Prempeh II; though some inhabitants of Ashanti territory, the Brongs, do not willingly do so. The Northern Territories, whose population is largely Muslim, became a British Protectorate in 1900, and the western part of Togoland, populated by various tribes who also extend into the Colony, was allocated to the British as mandatory Power in 1919. In each of the three Gold Coast territories there was created, in the days when the responsibility for local administration was delegated to chiefs, a territorial council of chiefs with consultative functions. The Northern Territories council was later modified so as to include a representative of the Muslims.

The all-African committee which drew up the proposals for the 1951 Constitution (the Coussey Committee) considered

administration in the Gold Coast should be decentralized by the maximum possible devolution of power to Regions, as the three territories were now to be called. A new Region of Trans-Volta-Togoland was created, and here a council of chiefs and representative councillors was set up. Each Region, the committee proposed, should have its own budget, to be drawn up by a council with a majority of elected members and a minority of chiefs. These proposals were accepted in principle, and Sir Sydney Phillipson was invited to make detailed recommendations on the functions and finance of the councils, but no action was taken to implement these. The councils of chiefs had now lost their *raison d'être* in the political field, and are at present authorized to deal only with matters affecting the traditional status and functions of chiefs. They receive a grant for the expenses of their periodical meetings.

#### THE 1954 CONSTITUTION

Before proposing the constitutional changes which came into force in 1954 Mr Nkrumah invited memoranda from all these councils and all political parties, and held consultations with representative committees of most of them. This procedure did not satisfy the opposition parties or the councils, who considered that the appropriate method of consultation would have been the appointment of a committee representative of all points of view to present agreed proposals. As opposition to Mr Nkrumah has developed, the 1954 Constitution has come to be known as the 'Constitution by post', and to be quoted as an example of his dictatorial methods.

This Constitution introduced universal direct suffrage and a fully responsible Ministry with control over all subjects except defence and external affairs. The elections held in June 1954 returned Mr Nkrumah to power, and he declared that he hoped the final steps to full self-government would be taken within the lifetime of the present Assembly.

A curious feature of the elections was the number of candidates who claimed to support the C.P.P. (Convention People's Party, led by Dr Nkrumah), but stood against the party's official nominee. Sometimes there were several such candidates in one constituency. Altogether 117 were nominated, but by election day the number had been reduced to sixty-four. Not unnaturally, they were expelled from the party and had to stand as independents. Only a few were elected. The previous Opposition—the Ghana Congress

Party, which differed from the C.P.P. mainly on the question of the status to be accorded to the chiefs—was reduced to one member, Dr Kofi Busia, who is the elder brother of the chief of We in Ashanti, and Professor of Sociology in the University College of the Gold Coast. But a different type of division was shadowed by the appearance of two new parties, each representing regional interests and potentially separatist. The Togoland Congress, which had been formed to oppose the integration of Togoland with the Gold Coast before the Ewes themselves have united, won two seats out of six in Southern Togoland; and in the Northern Territories a new party, the Northern People's Party, which came into being to contest the election on a platform of 'more consideration for the north', secured 19 out of 26 seats. In Ashanti, however, the C.P.P. won 16 seats out of 19; two of the remaining three went to C.P.P. 'rebels' who were re-admitted to the party a few weeks later, the other to Dr Busia.

When the Assembly met, the leader of the N.P.P. asked that his party should be recognized as the official Opposition. Dr Nkrumah argued that this was not appropriate for a group representing purely local interests. The Speaker at first upheld him, but later revised his ruling. The N.P.P. did not, however, oppose the Government on the issue that was to precipitate a crisis in Gold Coast politics. This was the decision to raise the cocoa export duty in order to finance a new five-year development programme. The rate then in force was 25 per cent of any price up to £200 a ton and 30 per cent thereafter. The new legislation authorized the Government to take the whole of any price above £260. At the time prices were expected to reach £500 a ton, though they are now around £250. The price paid to farmers was not raised above 72s. a load of 60 lb. (i.e. £134 a ton) which was then not paid, and the Minister of Finance announced that it could not be raised without endangering the economy of the Gold Coast. The N.P.P., who might be expected to benefit from the development programme while paying nothing in cocoa duty, warmly applauded this measure.

#### THE NATIONAL LIBERATION MOVEMENT

Not so the cocoa farmers. The Ashanti Farmers' Union met in 1954 and adopted a resolution demanding a price of £7 10s. (which they later reduced to £4). Political support for their demand came from a National Liberation Movement which was launched

September 1954 by Baffuor Akoto, one of the Asantehene's hereditary retainers, at the instigation of a small group of dissatisfied members of the C.P.P. The declared aim of the new movement was 'justice for Ashanti' and its defence against 'black imperialism', and, taking Nigeria as their example, its sponsors maintained that this could only be achieved under a federal Constitution. Both these moves were publicly supported by the Asanteman Council. The Asantehene justified his patronage of the N.L.M. by saying that it is a movement of the Ashanti nation as a whole, so that in lending it the weight of his great influence he was not entering party politics. This argument would also justify the action of the Asanteman Council in petitioning the Queen to appoint a Royal Commission to examine the demand for federation.

Around the new movement have crystallized all the inevitable discontents which Mr Nkrumah's Government has inspired—as indeed would have been the case under any Government. The cocoa farmers feel that they are exploited in the interests of regions which produce no cocoa. But in so far as they stand for greater regional autonomy they can claim as allies representatives of the very regions whose interests are opposed to their own. 'We prefer freedom and poverty to servitude under a dictatorship', the N.P.P. leader remarked. The conservative element, which does not consist by any means only of the chiefs and their retainers, regards the C.P.P. as upstarts, and, possibly even worse, uneducated. Another dissatisfied group is made up of all those persons who believe, rightly or wrongly, that the distribution of many kinds of favour by the Government—loans to farmers, scholarships, leniency to local authorities who fail to exercise their powers or to chiefs who exceed theirs—is conceived far too much as a reward for party services.

As the N.L.M. was formed immediately after, and not before, a General Election, it has no representation in the Assembly apart from one Independent sympathetic to the movement who was returned at a bye-election in July 1955; and as the great majority of its adherents, including eighteen of the twenty-one members of its executive, formerly supported the C.P.P., leaders of the latter have tried to represent it as no more than a company of disappointed aspirants to office. This may be so, but it is a political force for all that. Feelings between the parties possibly run all the higher because of this background; at any rate they have been expressed in action as well as in words.

Various attempts have been made to blow up houses with dynamite, and there have been several murders. The first of these seems to have resulted from a personal brawl; the propaganda secretary of the C.P.P. knifed the corresponding functionary of the N.L.M., who was one of the 'rebel' candidates expelled by the C.P.P. After a disturbed New Year's Eve and New Year's Day, with explosions and other outbreaks of violence, the Governor signed a proclamation under the Peace Preservation Ordinance forbidding the carrying of weapons in Ashanti. Incidents were then for some time confined to the tearing down of party flags; but in April, when the C.P.P. attempted to hold a 'rally' at Ejisu, a town some twenty miles from Kumasi where the N.L.M. was known to have strong support, rioting broke out and one of their members was killed. A curfew was then imposed for some weeks. But although N.L.M. members assert with some complacency that prominent C.P.P. members who own property in Kumasi dare not show their faces there, there has been no more serious violence, and in September the emergency restrictions were slightly eased. In view of the political tension the holding of elections for the local councils has been postponed till 1956; this is interpreted by the N.L.M. as a device to prolong the life of local authorities with a C.P.P. majority.

#### THE CONSTITUTIONAL ISSUE

In the view of the N.L.M., their grievances are so urgent that they cannot wait for the redress of a General Election in the normal course. It is for them an article of faith that a federal Constitution would effectively safeguard them against dictatorship and that nothing else would. Some believe that Mr Nkrumah intends, when he has attained full self-government, to set up a dictatorship in the strict sense of the word; the majority appear to use 'dictatorial' as a synonym for 'high-handed'. Much is made of his appointment as life chairman of the C.P.P. If they are confronted with the awkward fact that before the bye-election of last July they had no evidence of support from the electorate, the N.L.M. would argue that the present Assembly has no mandate to determine the future of the Gold Coast, since this question was not discussed during the elections.

The fact that the Asanteman Council was invited to submit its views on the new Constitution in 1954, and asked for nothing more than the implementation of the Coussey proposals on regional

devolution, is now forgotten, or is held to weigh lightly against the consideration that their wish for round-table discussions was disregarded; they might perhaps argue, though they have not done so, that since that time they have realized that something more than regional devolution is necessary to safeguard their essential freedoms.

As has been mentioned, the Asanteman Council resorted to the time-honoured Gold Coast method of a direct appeal to the Queen. The Secretary of State's reply, received in January 1955, was a diplomatic reminder that the Gold Coast has now attained to a degree of autonomy which places the responsibility for remedying internal grievances on its own Government; and indeed intervention from Whitehall at the request of an opposition movement would be much more open to criticism as an imperialist machination than was the return of one of its supporters at a bye-election, which the C.P.P. considered to be explicable only in that way.

Dr Nkrumah's views on this subject were first given at a meeting of his supporters in November 1954. While he rejected a federal Constitution as impracticable, he indicated that he would consider further regional devolution, and, in particular, would set up in Ashanti and the Colony regional development committees with responsibility for the allocation of funds for capital works. The first of these new committees, for the Western Region of the Colony (this is at present divided into two Regions, though the N.L.M. have not suggested that they should be separate units in a federation), was established in 1955, it consists of two representatives of each of the local authorities in the area.

On 31 December 1954 Mr Nkrumah announced that he was prepared to introduce legislation 'establishing representative regional councils in those Regions where they do not already exist'. He had already publicly invited both the Asanteman Council and the N.L.M. to a round-table discussion at which the main topic would presumably be what powers could be devolved on such councils. The N.L.M. did not reply until the London answer to their petition showed that that move had failed. They then said that they were prepared to discuss only 'what form of federation' would be most appropriate to the Gold Coast. In their view, only a federal Constitution could guarantee the Gold Coast against dictatorship and at the same time maintain a unity to which they are at pains to assert their devotion.

When the Assembly met for the new session in February the



Speech from the Throne announced that the Govern-  
'prepared to enter into consultations with any responsible  
matters affecting the Constitution'. It also repeated previ-  
ous statements of Mr Nkrumah that he hoped to attain independence  
the lifetime of the present Assembly. Popularly, November  
is believed to be the target date. The retort of the N.L.M.  
in which they now had the support of the official Opposition  
that the nature of the independent Constitution of the C  
must be decided by a popular assembly before that date. I  
believe that, after it, those who differ from Mr Nkrumah  
allowed no voice. A statement attributed to a Minister (Northern  
Territories), to the effect that after independence those  
who have opposed the C.P.P. will be put to the sword.  
times recalled.

The Throne Speech also contained two announcements  
were calculated to appease specific grievances of the Opposition.  
The price of cocoa was to be raised to £4 a bag, and  
'maintenance' would be guaranteed to the chiefs, who  
present decline as much in their pockets as in their pride.  
was announced that all paramount chiefs, that is to say chiefs  
were so graded in the Native Authority days, were to receive  
a month. For paramounts of some small States in the C  
would be a substantial sum, but the Government's critics  
that it sets the value of a chief a good deal lower than  
Assembly back-bencher (who receives £950 a year). Mr N  
admirers point to these actions as showing his responsiveness  
public opinion; his critics call it opportunism.

Early in April a Select Committee of the Legislature  
pointed to examine and report on the various proposals for  
federation. Given the composition of the Assembly at that  
time, it could include no representative of the N.L.M. But the  
Opposition described this action as flouting the democratic  
constituent assembly, and to emphasize their indignation  
members walked out of the House. None of the opposition  
sent a representative to give evidence before the committee  
they considered had prejudged the issue, though one speaker  
appeared before it and two submitted memoranda. Consequently  
its proceedings had an air of unreality, though they included  
an interesting discussion of the problem by a political scientist  
from the University College, Mr J. H. Price, who concluded in  
favour of federation and suggested that other constitutional devices

meet the situation better. The committee's report included a fair statement of the federalist case in so far as it could be gathered from the federalists' own rather rare pronouncements and writings, but as so little attempt was made to argue this before them, they inevitably concluded against it. Mr Nkrumah then offered to invite a constitutional expert from the United Kingdom to give advice on regional devolution. This idea had already been put forward in a slightly different form by Dr Busia, who at a press conference in London had proposed the invitation of such an expert as an impartial mediator. The difference in wording is significant; the latter suggests that Government and opposition should be accorded equal status. The official Opposition again replied to Mr Nkrumah by walking out, but not before they had indicated that they considered 'another Phillipson' unnecessary.

The bye-election held in the Atwima-Nwabiagya constituency, close to Kumasi, on 14 July was the first opportunity for the N.L.M. to test its strength at the polls. The Independent candidate, who was known to be sympathetic to their views, polled almost exactly the same proportion of votes, out of a total that was approximately the same, as had the C.P.P. candidate at the General Election. Encouraged by this success, the N.L.M. began to extend their activities outside Ashanti, and they have the makings of a formidable opposition. Early in August a merger was announced between five small opposition parties in the Colony and the N.L.M. Colony branches of the N.L.M. have been inaugurated at Cape Coast and at Koforidua, the capital of Akim Abuakwa, of which the late Sir Ofori Atta was chief. A feature of N.L.M. meetings which is invariably reported in the party newspaper (the *Ashanti Pioneer*) is the tearing up of C.P.P. membership cards by the holders. At Koforidua the theme of the principal local speaker was, 'I led you in and now I am leading you out'. At the meetings held up to now it has been usual for the chief of the locality to preside, and great receptions have been given to the chief of Ejisu, who was accused of the murder which took place in his town and acquitted.

C.P.P. supporters are indignant at the intervention of the chiefs in politics, and proposals to discipline them have been made by backbenchers, though not by Ministers. The Asantehene, it was suggested, should be reduced from his position as the head of all Ashanti to that of Kumasihene, chief of his own domain only. A resolution of the party conference demanded that the Government

grant to the Asanteman Council should be withdrawn. In September, however, the Asantehene announced that when the movement was organized as a political party he and his chiefs would withdraw from it.

Some London commentators have sought to discount the importance of the N.L.M. because of its association with the chiefs. But one of its most significant features is precisely that it shows how much influence is still exercised by a class that has been deprived of all political authority. 'Reactionary' its members may be, in the sense that they look back to a bygone era; conservative they certainly are. But they are not for that reason obsolete or negligible. It is no new discovery that in the Gold Coast, as in all the new-born or nearly-born States of the tropics, there is a great body of conservative opinion. 'Emergent Africa' is in fact the emergence of a new social class with some of the political ideas of the West. Official policy in British territories has been to favour the legitimate aspirations of this class for its due share of political power, and to hope that when it had secured these benefits it would communicate Western notions of progress to the masses. Most African politicians, and some in the United Kingdom, are horrified at the thought that an opposition movement in Africa can only be a conservative movement; but at the present moment there is no significant body of opinion that wants to go faster than the Nkrumah Government.

It has been said of the N.L.M. that it can offer no alternative to the policies of the C.P.P. In the sense in which this phrase is commonly used in political journalism, it means that the opponent has an alternative policy which is not worth discussing. In the Gold Coast it is literally true. The N.L.M. does not claim that if it were in power in a federal Gold Coast it would make any notable changes; its contention is that it would do everything that the Nkrumah Government is doing, but more efficiently and less corruptly. Only on one point does it differ from the C.P.P.—on its defence of the chiefs' position against the C.P.P.'s expressed intention of still further diminishing their status; and this is in fact the live issue of Gold Coast politics at the moment.

The N.L.M. proposals for a federal Constitution were presented to the Governor for transmission to the Secretary of State early in August. They envisage an 'indissoluble federal union' of four Regions—the Colony, Ashanti, the Northern Territories, and Togoland. The chiefs' demand for greater recognition is met by

proposal that they should constitute an Upper House in each, and that where a Region has a single traditional head, he have a status parallel with that of the Governors in others; the Asantehene is the only chief who is acknowledged as representing the population of an entire region. Regional legislatures be competent in all matters not specifically allotted to the Government. The central Government would legislate on customs and excise, but marketing would be a regional subject, revenues from cocoa, though dependent at least in part on import duty the federal Government chose to levy, would be apportioned among the Regions in fixed proportions arrived at by applying the principles of provenance and population—35 per cent to the Colony, 27½ per cent to Ashanti and to the Northern Territories, and 10 per cent to Togoland.

The impartial expert sought by Mr Nkrumah was found in the person of Sir Frederick Bourne, a retired Indian Civil Servant who has held several gubernatorial posts; he arrived in Accra on 15 November. The official announcement described the aim of his mission as being to advise the Government and all parties and to make recommendations which might wish for his services, and the subject of his recommendations as 'certain constitutional matters connected with the devolution of power to Regions'. Short of conceding the federation demand in advance the Government could go no further. At the time of writing, however, the N.L.M. was still insisting that terms of reference acceptable to them must be put down before they would enter into discussions; though it was expected that Dr Busia, who is at present in Britain, is using his influence to persuade them to do so.

L. P. M.

## *The Soviet General Staff Takes Stock Changes in Military Doctrine*

SOVIET military doctrine is, somewhat tardily, being adjusted to the new situation created by Russia's changed position in the world, and by the development of atomic and thermonuclear weapons.

Some of the glaring discrepancies between the old doctrine and the new situation were subjected to re-interpretation during Stalin's lifetime. After his death these tendencies were pushed more boldly under Malenkov's premiership, but even so there were no palpable signs of any fundamental and official revision of the doctrine.

On 10 February 1955 Malenkov resigned the premiership, and Marshal Bulganin took over his office. The switch-back to heavy industry which followed immediately was explained, *inter alia*, by defence requirements and may be considered the forerunner of a new period. The first signs of a basic change in Soviet military doctrine appeared in the military press in March 1955 and since then nearly all the top-ranking Marshals and many distinguished military commentators have confirmed these new ideas.

On 6 May 1955 in an article published in *Soviet Fleet* Major-General Korniyenko disclosed that this recasting of Soviet military doctrine had been ordered from above. 'The leaders of the Party and the Government,' he wrote, 'have given detailed directives as to the aims and ways of future development of Soviet military science. . . The Communist Party and Soviet Government require the military leaders to reject all outdated ideas and systems of battle preparations and everything that does not correspond to the new conditions of armed struggle.'

On 20 May 1955 Major-General Kalashnik wrote in an article in *Krasnaya Zvezda*, the army paper. 'At the present moment, all efforts of commanding officers, political organs, and party organizations of the Soviet Army and Navy are concentrated on the solution of the main problems put forward by the Minister of Defence for stepping up and perfecting the battle preparedness of the troops, the study of new battle technique and armament, and the strengthening of discipline.' Moreover, in nearly all the articles written by Marshals Zhukov, Konev, Vasilevsky, Sokolovsky, and Admiral Kuznetsov, and in *Pravda's* editorial on the occasion of

ry Day, 8 May, similar basic ideas were expressed, authoritatively confirming the importance of these changes.

#### SOVIET MILITARY DOCTRINE

Soviet military doctrine is a complex system of ideas dealing with all problems connected with war. It is based on Marxism-Leninism, and, as Soviet commentators state, uses dialectics as the method of reasoning.

It is only too easy to get entangled in the intricacies of these various dialectics, and even to get lost among the apparent contradictions, unless the logical structure of the whole is understood. Soviet military doctrine consists of four components:

1. The Soviet Communist Party's principles on war, which direct Party policy in foreign, economic, and military matters.

2. Soviet military ideology, which concerns the whole Soviet population, whose obligations are embodied in various State laws.

3. Soviet military science, which deals with the preparation of the Soviet State for war, the methods and means of war, and the study of the war potentials of all foreign States.

4. Soviet military art, which deals directly with military action. It covers strategy, operational problems, and tactics.

The whole is logically interconnected, and any change in the Party principles on war would be reflected in strategy and tactics. Conversely, changes introduced in strategy and tactics might bring about alterations in Party principles on war.

We will now examine these four components in greater detail. *Party Dogma.* The theory of the character and origins of war formulated by Marx and Engels is considered by contemporary Soviet commentators to refer to the conditions of pre-monopolistic capitalism, and is therefore outdated.

Lenin and Stalin developed and adjusted this theory to the new conditions of the imperialist and proletarian revolutionary era. Its principles may be summarized as follows. War is a continuation of politics by other, violent means. Policy is conducted by the ruling classes. Hence wars have a class character and must therefore be divided into those that are just and those that are unjust. Just wars are those which result in the destruction of the old and reactionary system and the creation of new, progressive societies. (The Russian philosopher Czernyshevsky analysed 286 wars which took place in

Europe and Asia between A.D. 300 and 1850, and found onl sixty progressive wars.) Naturally, all revolutions, wars of libera tion, and anti-colonial wars are just. The Soviet Union wages onl just wars. Therefore Communist parties the world over are oblige to help the U.S.S.R. to victory. Conflicts between the capitalis and the socialist worlds are unavoidable and must lead eventuall to armed clashes in which the Communists would be the victors the capitalist world being divided by internal and external dis agreements. This process would be marked by periods of peace Although such times are profitable for the U.S.S.R. and for Com munist aims, this idea should not be confused with 'bourgeois pacifism', which is opposed to any war and is exploited by the imperialists in order to keep the spoils of their robberies. Wars an desirable and even necessary as a means of spreading revolution Imperialist wars should be transformed into revolutionary o liberation wars. In the conditions of capitalist encirclement, th Soviet Communist Party must not forget even for a moment th danger of imperialist aggression, but must be vigilant and build up powerful armed forces. Since the beginning of the Soviet regime the Communist Party has been the inspirer, organizer, and leade of the Soviet armed forces, and at all Party Congresses since th Seventh Congress in 1918 important decisions concerning the development of the Soviet armed forces have been taken.

*Military Ideology.* Soviet military ideology deals with the prob lems of defence of Soviet State interests by military means.

The basic principles are embodied in various State acts, binding on all Soviet citizens, such as the Constitution, laws, nationa anthem, military oath, military statutes, instructions, and so on

The Soviet peoples are imbued with the spirit of 'Sovie patriotism' and self-sacrifice in the defence of the Soviet Union Wars waged by the Soviet Union inevitably assume the characte of wars waged by the entire population. These struggles are th most just in history and have a decisive character. The interests o the Soviet Union demand total destruction of the enemy and th achievement of the liberation mission to its very end. The work being definitely and radically split into two hostile camps, the struggle is the background of the whole contemporary reality.

Soviet patriotism and love of homeland is inseparably linke with a deep hatred of the enemies of the socialist homeland and does not allow any tolerance of their ideology.

Victory is possible only if the whole country is fully prepared, if

ime of peace, for active defence. Only an unwavering belief in this principle can secure the permanent military preparedness of the Soviet Union. The Soviet people fight for peace and at the same time understand the necessity for full preparedness for active defence. This ideology, in its totality, makes the Soviet armed forces an 'Army of a new type'.

*Military Science.* The creation of an 'Army of a new type' also necessitated a new military science. In 1950 Marshal Bulganin said that Soviet military science, as well as dealing with tactics, operations, and strategy, also embraced economic and moral problems, not only of the Soviet Union, but also of all enemy states.

The course of any war is influenced by factors of a permanent, temporary, and accidental character. Temporary and accidental factors can yield successes of a passing nature. Only permanent elements of military potential can bring final victory. These permanent elements include the quantity and quality of the military units; armament; organizational and operational ability of military commanders and administration; high morale and faith in final victory; and so on.

The moral ingredients are of supreme importance, since wars demand of man the highest physical and moral efforts. The individual and his spirit finally decide the outcome of the struggle. Soviet man alone possesses these qualities. The bourgeoisie overestimate the value of their war plans, in particular the temporary factors such as surprise aggression and 'blitzkrieg'. They do not estimate sufficiently the role of permanent elements of economy and morale.

*Military Art.* Soviet military art is a component part of Soviet military science. Assuming that all means and methods of warfare based on the latest scientific and technical discoveries are available, military art consists of their full exploitation, the co-ordination of their action, and their application at the proper time and place.

The economic and moral potential of the army and people measure only the possibility of victory. Military art is needed to transform this contingency into reality.

Military art includes strategy, operational art, and tactics. Strategy is concerned with war as a whole. It deals with such problems as the number of fronts; the exploitation of space (structure in depth); the choice of direction of main effort; counter-offensives against enemy assaults: the role of the Navy and Air



Force; the building up and use of reserve units; the supply of armaments, war industry, and stocks; the organization of transport.

Operational art is subordinate to strategy and concerns the operation of large units (armies, fronts) along the lines established by strategy. Its object is to organize offensive and defensive actions, encircling movements, etc.

Tactics deal with individual episodes of battles, such as marches, engagements, withdrawals, and so on. Tactics consist of the choice of a particular form of battle best fitted to the conditions of the battlefield. They are subordinate to operational and strategic aims and while requiring initiative also need discipline. A tactical victory might even be dangerous, in that it could create a new situation which might adversely affect the operational situation.

#### RECENT CHANGES IN PRINCIPLES

We will now examine the changes which have taken place in some of the most important principles of Soviet military doctrine.

*Encirclement Thesis.* The creation of the People's Republic of China in 1949 raised legitimate doubts about the value of the basic Soviet political and strategic principle of 'capitalist encirclement' from which derived their foreign policy, their permanent war economy, economic autarky, and the development of their armed forces.

In August 1951 the Party official bi-weekly, *Bolshevik*, published an article in answer to the question: 'In view of the victory of Communism in several countries around the U.S.S.R., should the principle of capitalist encirclement be maintained or abandoned as no longer valid?' The answer given was that 'Capitalist encirclement is a political conception and cannot be considered only from a geographical point of view.'

This controversy continued. Several articles appeared in which the problem was discussed and from which it may be inferred that Soviet military commentators do not believe in a geographical encirclement of the U.S.S.R. by the capitalist world, but exploit the term 'encirclement' to attack the military measures of the Western world as aggressive towards the U.S.S.R.

Strategically it is interpreted as encirclement by U.S. military bases—but even in this respect Soviet commentators minimize its danger, maintaining that the U.S. bases, being too far from their country, are open to Soviet attack. The rule derived from the en-

encirclement theory—that the Soviet Union should not engage itself in conflict on two fronts—has lost its importance, and the East-West orientation of Soviet strategy has been replaced by a North-South orientation of expansion.

The anti-colonial policy has been directed towards the further weakening of capitalist encirclement and the virtual encirclement of the Western world by various political and military actions on the whole periphery of the Soviet bloc of States.

*Relative Strength.* Soviet political and military commentators used to declare the Soviet bloc to be an unassailable group of States and the Soviet Army the most powerful in the world. They ridiculed the Western thesis of policy from strength, obviously assuming that the Soviet Union occupied the position of strength. But the recent revival of the Soviet Union's political offensive on all fronts, aimed at the extension of the security zone around the whole Soviet orbit by a belt of 'neutralized' States, implies that the whole problem of the 'position of strength' has been revised by Soviet statesmen.

The theory of inevitable economic and social crisis in the capitalist world was criticized soon after the war by a prominent Soviet economist, Professor Varga. He was disgraced, but later recanted. The theory still survives in various forms of propaganda about 'Anglo-American conflicts' etc. It has been reinforced by a more vigorous assertion of 'anti-colonialism' applying both to colonies and to the so-called 'dependent States' (Latin America, small European countries). However, British-U.S. co-operation, Marshall Aid, N.A.T.O., S.E.A.T.O., the Balkan Alliance, U.N. action in Korea, and finally the Paris Agreements all afforded vivid proof that instead of disintegrating, the capitalist world was becoming more and more organized and unified. Hence the violent attacks on all these organizations and policies.

The principle of the doomed capitalist world was maintained. Until quite recently, Soviet military commentators were unanimously asserting that the Western Powers underestimated Soviet military strength and overestimated their own forces. The Soviet military press was even threatening the Western Powers with complete disaster in the event of their daring to attack the Soviet Union.

This attitude seems to have been abandoned, and at present the same press is full of warnings against the danger of underestimating the military power of the West, the science and organizational

abilities of the Western military leaders, and the morale of the Western armies. The earlier opinions are said to show a dangerous leaning towards complacency and false feelings of security, and are therefore seriously harmful to the Soviet State. Some Marshals have even stressed the need to study Western military science and methods, and Colonel Goryachev went even further in stating that so long as the Western world appears as the most advanced in material, moral, intellectual, and military preparedness, Soviet military specialists must in the shortest possible time elaborate new principles and methods of modern warfare. This line of thought has been reflected even in Soviet tactics, Soviet officers and soldiers at present being constantly reminded that they must be prepared to fight against 'a strong, clever, and powerfully armed enemy'.

*Surprise Aggression.* The emphasis on permanent factors, which was held to demonstrate the superiority of Soviet military science over that of Germany and any other aggressor, was also used to prove that by constantly developing her permanent factors of war potential the U.S.S.R. need not fear any surprise attack. The aggressor could achieve only temporary gain by means of 'surprise aggression', and would inevitably be defeated by the U.S.S.R.'s strategy of 'permanent factors'. No surprise attack could succeed as long as these permanent factors were maintained and developed.

Although the inconsistency of this theory was evident, Soviet military commentators began to revise it only recently. In January 1954 in a series of articles on 'Marxism-Leninism on War and the Army', Colonels G. Fedorov and M. Novokhatko stated that it would be erroneous to maintain that the Soviet armed forces should wage war basically by the same methods that were used in 1941-5, because the imperialist Powers were capable of creating new methods of warfare quite different from those of the last war.

The article by Marshal of the Armoured Troops P. Rotmistrov, published on 24 March 1955 in the Soviet Army daily *Red Star*, was much more explicit. His argument can be presented in the following abbreviated form.

The danger of a surprise aggression must not be underestimated, the Western armies and navies having considerably increased their technical armament, especially atomic and hydrogen weapons. In present conditions, the possibility of a surprise aggression has increased, not diminished, not only because of these powerful means, but because, capitalist economy being unable to sustain a prolonged war, the aggressors would try a 'blitzkrieg' or even a 'super-blitzkrieg'. It must

be frankly admitted that because of the power of atomic and hydrogen weapons 'in some cases a surprise aggression might become a deciding condition for success not only in the initial phases of a war, but even for its final outcome'.

The underestimation of the dangers of modern 'surprise aggression' is most harmful to the battle-preparedness of the Soviet armed forces. This leads to the unavoidable conclusion that 'We cannot regard these events passively: we should not lull our military cadres with outdated theories; we must reveal the increasing danger of surprise aggression and correspondingly build up the battle preparedness of our Army, Navy, and Air Force.' Finally, we must bear firmly in mind that our aim must be not to allow the possibility of any surprise aggression on our country; not to allow ourselves to be ever taken 'by surprise'. On the contrary we must 'prepare the readiness and vigilance of our armed forces to such an extent that they would be capable of disrupting any plans of the aggressor and in time defeat them'.

This reversed attitude towards the problem of surprise aggression does not diminish the role of permanent factors on which depend the final results of a war. But the old doctrine that the bourgeois States are incapable of building up these permanent factors must be rejected.

It has been proved that the bourgeois military leaders are also developing these permanent factors in their countries. They only call them by other names, but they are doing everything they can to secure their superiority over the Soviet Union in all these factors. Although they defend a reactionary, out-of-date, bourgeois system, while we defend a progressive socialist State, we cannot ignore the fact that bourgeois military science exists, develops, and progresses. We must study it not out of idle curiosity but to reveal their possibilities, to find their strong and weak points and their means and methods of battle. 'Only if we know their methods can we oppose them with better and more modern methods of warfare, which they do not expect.'

#### THE CONSEQUENT DECISIONS

It is obvious that, in view of such serious changes in military doctrine, the Soviet leaders would have to issue corresponding instructions to their armed forces. And this, in fact, has happened, as we can see from excerpts from an article entitled 'The leading role of the Communist Party as the source of power of our Armed Forces', by Major-General Korniyenko (*Soviet Fleet*, 6 May 1955):

... With the appearance of new weapons possessing tremendous powers of destruction, the importance of the surprise factor in contemporary war has enormously increased. In view of this, the Communist Party demands that the whole personnel of our Army and Navy should be imbued with the spirit of maximum vigilance and constant and high military preparedness, so as to be able to wrest the initiative from the hands of the enemy and, having delivered smashing blows against him, finally defeat him completely

Our military scientific cadres are now called on to solve various questions concerning the exploitation of the latest discoveries for military purposes, and to elaborate problems connected with the character of contemporary operations and tactics, with the organization, security, and conduct of these operations, and with the methods of commanding the troops in the new conditions.

Major-General Korniyenko states that the 'Soviet State and its armed forces possess these powerful contemporary weapons' and adds that modern warfare calls for stronger morale and discipline. Hence the Party and the Government have introduced new measures for the strengthening of the role of commanding officers who would be even more responsible than before for the battle preparedness of their subordinates and for their political education.

*The Role of Space.* On the question of space Marshal Rotmistrov wrote that the old theories about the role of space in Soviet strategy must also be fundamentally revised in the light of the present situation. The absurd idea of many theoreticians that the role of the Soviet Union's great space consists in the possibility of luring the enemy deep into the country and destroying him there is to be rejected entirely as incompatible with the spirit of Soviet military science and ideology.

The main advantage of the great territory of the U.S.S.R. is the dispersal of its population, its industries, its production centres, and of all productive forces, which served in winning the war against Germany. At present, the Marshal argues, when we are facing the dangers of an atomic and hydrogen war, Russia must again exploit in full these favourable conditions of wide spaces to her own advantage, especially when faced with many capitalist States which possess small territories and highly concentrated industries and population. The space problem and its role in Soviet strategy must be completely revised and re-analysed to serve the U.S.S.R. not only in a passive way, but in an active form—to bring atomic war into the territories of the enemies, and not to invite the enemy into Russia's own territory.

This clearly aggressive idea of carrying war into enemy country has been expressed even more definitely by another military writer. On 28 May 1955 *Red Star* published an article by Colonel P. Kashirin entitled 'The importance of moral strength of the armies in contemporary war'. This article contained some striking ideas. The Soviet Army, Air Force, and Navy, it stated, could deliver an annihilating blow against any imperialist aggressor, in

conditions, even if the enemy were to employ atomic or hydrogen weapons. In the event of an imperialist war against the U.S.S.R., Soviet armed forces would transfer military operations to enemy territory. In view of this fact, the Soviet armed forces, which would have to fight on the territories of other States, must be endowed with the highest moral qualities. The traditional theory that the Soviet armed forces would retain their moral and ideological superiority over the enemy under any conditions must be revised. Such superiority cannot be realized or maintained automatically. The moral stability and spirit of the Army depended not only on ideology, but also on subjective factors, such as the political-ideological education of the Army and the quality of propaganda within it.

**Morale.** The change in emphasis from a defensive to an aggressive conception of future war has brought to the fore the practical problem of the morale of the Soviet Army.

Soviet military leaders were quick to consider the moral effect of atomic weapons on their population and the army. Pamphlets about the effects of the Hiroshima and Nagasaki bombs were widely distributed among the Soviet population in the late forties. The effects of these bombs were clearly minimized and various examples of simple methods of protection were quoted. The effects of persisting ground radiation were even ridiculed.

In 1953 the tactical training and protective training of the Soviet Army against atomic weapons began on the basis of specially issued instructions. To popularize the new tactics, the Soviet military press was inundated with a succession of articles on subjects connected with atomic defence. The main ideas were to dispel the exaggerated belief in the effectiveness of atomic weapons against troops in the field and to imbue them with the belief that by proper behaviour losses could be considerably reduced; to convince the troops that atomic weapons and radiation should not stop them from moving forward and accomplishing their missions; to arouse them with an offensive spirit: while clinging to the enemy in close pursuit they would be protected from atomic weapons because the enemy would not risk the destruction of his own units as well; the best strategy was to transfer the battlefield to enemy territory where the enemy would hesitate to employ these weapons because of the population. In other words, an adaptation of the 'defensive defence' principle to atomic war conditions, with the same regard for losses as during the last war.

*Offensive Spirit.* Marshal Rotmistrov also developed this theme in his article, saying that with the considerable increase in technical equipment of the modern army, navy, and air force, the demand for physical and moral effort of the personnel was much greater than before. The troops must be convinced that victory was certain. They must be brought up in an offensive spirit and be ready to overcome any difficulties with the aim of defeating the enemy. Any theory was harmful which suggested that with the technical development of the army the role of the individual and his morale must diminish. In atomic and hydrogen warfare morale would play an exceptional role; hence Soviet officers and political leaders must increase their efforts to build up a proper moral strength in their units and among the population.

Colonel Kashirin went even further and introduced the idea of re-educating the Soviet soldier for an aggressive war. The belief, he said, that the Soviet soldier and the Soviet people are brave and efficient when rising in defence of their motherland against an invading aggressor is familiar to all, but they have no aggressive spirit and it would be quite a different proposition if they were led into an aggressive war in foreign lands. Colonel Kashirin openly admitted this, and it is closely connected with the instructions for the further strengthening of military discipline in the Soviet armed forces and of the principle of 'yedinonachalye'—that is, undivided authority of the commanding officers, who are all responsible for military and political training and discipline

#### CONCLUSION

It would seem that the turning point of these changes was the reassessment of the importance of 'surprise aggression' by atomic weapons and the realization of the fact that the Soviet Union was not prepared for such an eventuality. The position of strength reached by the Western world must therefore, it is argued, be regained by the Soviet Union, and this will need time and effort. Time can be gained by political means, thus giving possibilities for the necessary military readjustments. The position of strength, with all its consequences, would have been regained when the Soviet Union was ready to deliver a 'surprise attack'. If this thesis is true, the world might then be faced with a situation reminiscent of that of 1939, when Hitler, having completed the rearmament of Germany, had to act promptly in order to exploit his advantage.

J. K.

# THE WORLD TODAY

Volume 11 No. 12 December 1955

\*

## Notes of the Month

### *South Africa and the Commonwealth*

DR STRIJDOM has recently declared in a speech to the Transvaal Nationalist Party Congress<sup>1</sup> that all African States, including non-European States, will jointly have to act in such a manner 'that we will not see one another as enemies but as different states and races and communities which are each, in his own territory, entitled to existence in this big Continent'. In short *apartheid* is pushed to its logical conclusion. On 23 September Dr Donges, the Minister of the Interior, is reported as saying much the same thing:

We have the position today that there are fully-matured Native states in Africa, and I think that in our relationship we must find a method to deal with the northern states of Africa. There is room for co-operation. I think that as far as South Africa is concerned, we desire the position of peaceful co-existence, and there is no reason why the Union and the dependent Native states cannot live peaceably together.<sup>2</sup>

In neither of these speeches was any explicit reference made to the possible future recognition of the Gold Coast or Nigeria as full members of the Commonwealth. But it is important to notice that the implication was taken up in articles on the leader page in two of the chief newspapers in the Union, the *Johannesburg Star* and the Nationalist *Die Burger*. Both papers refer to the anxious speculations there have been during the past few years, particularly in Britain, about problems that might face the Commonwealth when the Gold Coast gained full independence; the possibility of South Africa withdrawing from the Commonwealth if the Gold Coast is admitted has even been envisaged. The *Johannesburg Star* (24 September) considered that the statements made by Mr Strijdom and Dr Donges implied that South Africa would not now oppose the promotion of the Gold Coast and Nigeria to higher status in the Commonwealth, and that they have eliminated the prospect of a

<sup>1</sup> *Johannesburg Star*, 22 September 1955.

<sup>2</sup> *ibid.*, 24 September 1955.



Commonwealth crisis on this score. The writer of the *Die Burger* article is reported as saying:

I regard the Prime Minister's statement as easily the most important foreign policy pronouncement that has been made in South Africa for very long time. It has implications as far-reaching as anything which, in our present circumstances, could be said. Attention please, foreign correspondents.

It still remains to be seen if the South African Government accepts all the implications which have been read into these statements. But they open up new and more hopeful prospects of South Africa's policy as regards the Commonwealth in general and the independent African States in particular. It is a pity that despite the special call for attention in *Die Burger*, little or no notice of these statements has been taken by the press in this country; South Africans have often complained of unfair or unsympathetic reporting by the United Kingdom press.

Since these statements were made South Africa has experienced increasing hostility at the United Nations which has finally persuaded her to withdraw altogether from the present session. I may be that the growing sense of isolation in South Africa may strengthen this new feeling of a need to give more importance to the Commonwealth association.

### *A New Look in Siam?*

THE Prime Minister, Marshal Pibul, seems to have presided over yet another 'palace' revolution in Siam. For some time it has been supposed that power within the Siamese ruling group lay between General Phao, the Chief of Police, Marshal Phin, Phao's father-in-law and a former Army Commander-in-Chief, and General Sarit the present Army Commander-in-Chief and former commander of the First Army which is stationed in the Bangkok area, and that of these Phao was increasingly the most powerful. When on 14 April Pibul left on a world tour which lasted until 22 June it was said that no Siamese Prime Minister would willingly leave the political stage for so long, and that the tour must be a prelude to a retirement which would leave Phao in control. Instead, Pibul returned reinvigorated by his foreign tour and apparently filled with a belief in the need for more democracy and less corruption, a belief no doubt fostered by—or designed to attract—the United States and Siam's other partners in the Manila Treaty.

Pibul's return was followed by a scandal in the exposing of which

the U.S. Embassy had a hand. It appeared that the Police Department and a group of Bangkok business men had together organized the most remunerative traffic in opium which was smuggled into northern Siam, there seized by the police, who were thus able to claim the official reward, and then brought to Bangkok and either sold in the city or exported. On 9 July 1955 the police announced that they had captured no less than twenty tons of opium, but no smuggler. Rewards worth over £500,000 were paid out by General Phao (as Deputy Minister of Finance) at his own request (as Deputy Minister of the Interior and Chief of Police) and the opium itself was brought to Bangkok, where its fate remained obscure. Pibul remarked publicly on the bad impression made abroad by the opium traffic and expressed his disapproval.

At the end of July there was a difference of view in the Cabinet over the State Railways, and the view said to have been supported by Phao was rejected by the Cabinet by seven votes to three, other Ministers abstaining. On 1 August Phao, in his capacity of Deputy Minister of Finance, departed for the United States, ostensibly to negotiate fresh financial aid. On 3 August Pibul took over the post of Minister of the Interior himself, giving as the reason his determination to suppress the opium traffic, and reshuffled the Cabinet bringing in the Army Deputy C.-in-C. and the Commander of the First Army. On 5 August it was announced that four Deputy Ministers had been relieved of their posts, Phao losing his position as a Deputy Minister of Finance and Phin the post of Deputy Minister of Defence. Both however retained other posts.

Pibul had already, on 29 July, stated that the opium traffic would be stopped entirely, that opium dens would be closed by the beginning of 1956, and that he was opposed to high rewards for the capture of opium; he subsequently, on 26 August, reprieved the opium dens until the beginning of 1957. On 3 September he issued an order cancelling the censorship of newspapers and printed matter which the police less than three months earlier had renewed for a year. On 10 August it was announced that trade monopolies and certain commodity controls, a great source of profit for Ministers, would be abolished or modified, and on 19 August Pibul announced that no Minister might in future engage in business. Police officers were also forbidden to engage in business or to accept gifts.

Pibul also took steps to bring the police force firmly under his own control. He indicated at a press conference on 10 August that

the force, which included armoured units, might well be 'excessive' and stated that he would go into the question of its reduction with Phao when Phao returned. Meanwhile some units were being moved out of Bangkok, though to move Army units out of Bangkok would be too expensive! It will be noted that control of Bangkok means control of Siam. Finally Pibul announced that in future ultimate decisions on police matters would rest with him, as Minister of the Interior, and not, as hitherto, with the Chief of Police; he subsequently ordered that military or police 'alerts' could only be given on his direct order and not, as before, by the Service Chiefs or the Chief of Police.

Meanwhile, on 9 August, it was announced that the Government was drafting a Bill to permit the operation of political parties. A Committee under Prince Wan, the Foreign Minister, produced a draft which was passed by the House of Assembly on 20 September. This permitted registration of a socialist party similar to the British Labour Party, but not of a Communist party. General elections were promised in 1957. That the proposals are not regarded as entirely spurious is suggested by the rapid registration of two opposition parties, of which one, the Democratic Party, is led by Nai Khuang, the former Prime Minister.

Despite all this activity, however, it remains uncertain how far Pibul wishes or will be able to carry the reduction of corruption and the development of democracy. It would be foolish to forget that possession of superior forces has hitherto been the key to success in Siamese politics, and enjoyment of the fruits of office the chief motive for political action.

### *The Himalayan Frontier*

UNDER British rule 'the Frontier' in India was always used to mean the north-west frontier with Afghanistan. This was the traditional route for invasions of India, and, beyond Afghanistan and the warlike Pathan tribes, there loomed the vast and expanding bulk of Russia. The long north-eastern frontier was protected by much more difficult country, and its inhabitants were less given to raiding, while beyond the peaceable Tibetans and the vast, high, uninviting wastelands of their country there lay, rather than loomed, China. The frontier, where Tibet and India were not separated by the Indian client or protected States of Nepal, Sikkim, and Bhutan, was defined by the McMahon Line which was accepted by Tibet and India in the Simla Convention of 1914. The

representatives also accepted the Convention, but their consent subsequently refused to sign it, not apparently because of any disagreement with the McMahon Line or the principle of the autonomy of Tibet subject to Chinese suzerainty which was set into the Convention, but because it wished to see the Sino-Tibetan frontier drawn further to the west than it was in the Convention. Britain and Tibet, however, maintained the line, and Chinese maps tended to extend the boundaries of Tibet beyond it, the Chinese Government was impotent and the situation remained, apart from occasional banditry, peaceful. The British and, at first, independent India were able to leave it virtually undefended.

So, however, this happy state of affairs was seriously, and permanently, disturbed. The Chinese Communists having gained power, China ceased to be impotent and, at the end of 1949, Chinese armies invaded and conquered Tibet which they declared to be an integral part of China. The Indian Government was greatly disconcerted by this action, as can be seen from the exchange of notes on the subject which passed between the two countries in October and November 1950; but the Chinese maintained that the matter was entirely an internal affair in which 'no interference will be tolerated'.

The incident was smoothed over by the Indian Government, but it has since clearly been anxious to prevent Indian popular opinion from being aroused by the minor frontier violations which occasionally occurred, by the reports of the building of military bases, airfields, and other installations by the Chinese along the frontier, or by the continued use and production by the Chinese of maps making claims to territory belonging to India—and also to Bhutan, and Burma. Indian footholds in Tibet have been withdrawn gracefully by the agreement of 29 April 1954 and a further agreement of 1 April 1955, and the Indian mission in Lhasa has been replaced by a Consulate-General in return for which the Chinese have allowed a Consulate-General in Bombay.

The frontier is no longer undefended. The Indians too have begun to build roads and airstrips in the frontier area, and to improve communications with Nepal. A special section of the Ministry of External Affairs has been established to extend political control to the often very wild border areas, and the Indian Government has taken over direct responsibility from the Government of Kashmir for the guarding of the border between Buddhist

Ladakh and western Tibet. The Uttar Pradesh Government, with central help, has set up a special armed constabulary force to patrol and control the frontier in the Kumaon area where the latest incidents have occurred, while both here and in Assam army units appear to have been moved up in support. Large-scale operations across this border seem improbable, but the Government of India will evidently have to be constantly on the alert in future if they are to prevent border violations and infiltration.

## The French North African Crisis

blems which present themselves in French North Africa possess fundamental and permanent characteristics related to the Berber people and the Muslim religion, as well as special problems arising out of the geographical and political situations of the countries concerned. Islam plays so important a role in the social make-up and conduct of the inhabitants that there is a tendency to attribute too much to it. Revolts such as those of the past have occurred in similar conditions and in the same places since the earliest times. They belong to the Berber mentality, the puritan, egalitarian, and xenophobe strains. The Romans and the Arabs came up against the same sort of resistance. In the region of Constantine where the present insurrections have occurred, Jugurtha's Numidians fought against the Romans, the sect set up a popular and violent heresy in opposition to orthodoxy, and the savage Ketama tribe set out to conquer it. It is not a case of Muslim fanaticism, for the mountainous regions of Aurès, Kabylia, the Rif, and the Middle Atlas, today the main areas of rebellion, are the least Islamised parts, while such regions as those of Muslim faith as Tlemcen have remained unaffected. It is the doctrine that is used to justify the revolt, just as the heresies of the past and Muslim heresies did in the past; but it is not the same.

Things have gone by there was no population problem in North Africa. Infant mortality and internecine wars served to counteract population growth. Improvements in public health and order increased the population within twenty years. The failure of colonialism is largely due to the fact that today the Algerian peasant's consumption is only some three-fifths of what it was half a century ago. An economic system based on private enterprise has led to a permanent aggravation of the economic crisis. The monopolization of the best lands by the French *colons* (settlers) has reduced the original landowners to the condition of agricultural labourers, but at the same time every step in technical progress, particularly the introduction of tractors, increases unemployment. It is paradoxical that, in a country where there is not enough food for the people's needs, vineyards flourish; yet their produce cannot be exported since the Arabs do not drink wine. For the majority of the inhabitants the day-to-day problem of their food is insoluble. The peasants surge into the towns in the illusory

hope of gaining a permanent livelihood there, and crowd together in the 'bidonvilles', or shanty-towns, those hives of poverty and political ferment. The blatant luxury displayed by a minority of the Europeans merely serves to render the contrast of poverty more acute. The native intellectual knows that, other things being equal, it will always be a Frenchman who succeeds in obtaining the best jobs in administration or trade. Today, nearly half the population of Algeria is under twenty years of age. They are without work, disgruntled, and ready to accept any solution, for they believe nothing could make their situation worse than it is. And the native population knows that its fate is entirely in the hands of the *colons*, and above all of a few thousand who control the land, the banks, the newspapers, and the elective Assemblies. The administrative cadres are subservient to the 'prépondérants', the ruling class among the settlers. The people feel they are being stifled, and are ready to lend a willing ear to Eastern blandishments.

The movement of revival, originating in Cairo, gradually conquered the Maghreb, following the route of Eastern invasions of the West. With it came one or two dynamic ideas which took root in men's minds: the need for every colonial country to ensure its own independence as a first stage in the reconstitution of an oecumenical Islam; the return to an Islam purged of all the supernatural attributes introduced by the cult of the saints and by the brotherhoods; the utilization of all the progress of Western science, which should be regarded as being not only compatible with religion but determined by it. Religious revival and political claims go hand in hand to such an extent that a colonial regime which refuses to consider new developments is compelled to rely on the most retrograde forces for support. This is what happened in Morocco, where the administration, in its opposition to the progressive-minded Sultan Sidi Mohammed ben Yussef, made use of the most tyrannical feudal elements such as el Glaoui and the most tainted religious leaders such as el Kittani. In the same way in Algeria the support of discredited and servile marabouts was sought against the doctors of the law, the reformist Ulema.

#### TUNISIA

Eastern propaganda acted like a ferment on the Berber mentality, offering it an ideology that made an instinctive appeal. It was, naturally, in Tunis that its effects were first felt, through the teaching given in the Mosque of the Zitouna. The nationalists,

organized in the Néo-Destour to demand a Constitution, concentrated mainly on obtaining observance of the treaties of Bardo and Marsa (of 1881 and 1883), under which, by means of the Protectorate, a supervisory regime had been set up which was later replaced by direct French administration. Their strength lay in drawing into their ranks some of the more important leaders (of whom the most outstanding was, and still is, Habib Bourguiba), and also in the support of a powerful and well-disciplined trade union organization, the *Union Générale des Travailleurs Tunisiens* (U.G.T.T.). Each reform aroused the implacable opposition of the reactionary settlers. It was they who, in December 1951, obtained from the French Government a declaration concerning the recognition of the regime of co-sovereignty, which effectively destroyed Tunisian autonomy. The opposition aroused by mass arrests and the use of torture against prisoners resulted in an outbreak of terrorism which spread insecurity throughout the country. The most serious troubles arose through the formation in the mountains of groups of 'fellagha' recruited from among the unemployed, exasperated patriots, and professional thugs. These scattered guerrilla bands, aided by the local population, proved completely elusive and defeated all the efforts of the tanks and planes sent out against them. Some Frenchmen organized a counter-terrorist regime, which was the more efficacious since its perpetrators could count on going unpunished. Honest magistrates were handicapped at every turn in their efforts to discover the guilty parties, who profited by the complicity of the police. The Tunisian public was shocked to discover that while the concentration camps were overflowing with suspects, the murderers of the U.G.T.T. leader Ferhat Hached were carrying on with their deeds of terrorism scot free.

The decisive steps taken by M. Mendès-France, then French Prime Minister, at the end of July 1954 brought this rapidly deteriorating situation to an abrupt end. By his action in visiting Tunisia in person and setting on foot negotiations for new agreements designed to preserve the country's autonomy and independence, he restored confidence in the good faith of France. Those nationalists who were most detested by the French element, such as Habib Bourguiba (who was still living under surveillance in France), gave their support to this rapprochement. But the die-hards' 'lobby' in Paris, controlled by the influential French settlers, succeeded in aligning a reactionary majority in the French Chamber



against M. Mendès-France which blocked the agreements and brought about his downfall. His successor took over his heritage, and the Assembly ended by accepting from the hands of M. Edgar Faure the agreements which it had stigmatised as a betrayal when M. Mendès-France had proposed them.

Tunisia now has home rule and, for the first time, an exclusively Tunisian Government. France retains responsibility for diplomatic representation and defence, as well as her existing privileges in cultural and economic matters. She can still play an effective role. The Tunisians are faced with a difficult economic and political situation. This year's harvest was bad, widespread poverty still exists, and the new Government lacks the resources to enable it to make the far-reaching improvements that the public expects. The U.G.T.T., although close to the Néo-Destour in outlook, is demanding social reforms, and seized the first opportunity to organize a successful protest strike on the estate of the Prime Minister himself. Financial aid from France is proving indispensable, and it will be a wise policy not to bargain about it.

The political crisis reveals the opposition between the Western and Eastern trends. Habib Bourguiba is a qualified French lawyer, and his son studied in France. While living in Cairo he cannot have failed to observe the difference in cultural backgrounds. He realizes that the education, based on a mediaeval tradition, provided by the Zitouna does not allow students to adapt themselves to the conditions of modern life. Though himself a Muslim, he believes that politics must become secularised and that Tunisia must turn resolutely towards the West. Salah ben Youssef, on the other hand, though also of French education, during the many years he spent in Cairo became impregnated with Pan-Arab ideas. He denounces as trickery the agreements that Bourguiba regards as a first step towards independence. The Néo-Destour congress at Sfax on 17 November unanimously approved Bourguiba's line and ratified the sentence of expulsion pronounced earlier against Salah ben Youssef. Thus so far the advantage rests with Bourguiba, but if the social situation were to become worse and the sedition movement in Algeria were to spread it seems likely that ben Youssef would rally many of the discontented elements to his side. All this shows to what extent the problems of North Africa are inter-related. But at least it can be said that since M. Mendès-France's visit to Tunisia there have been no more terrorist outbreaks there, and on 20 August, the anniversary of the Sultan of Morocco's

on, complete calm reigned in Tunisia alone. The policy of  
ion has proved infinitely more rewarding than that of  
on.

#### MOROCCO

Morocco, the 'die-hard' influential settlers represent a very  
 stronger economic and political force than in Tunisia. Ever  
 1934, the Comité d'Action Marocaine issued a plan for  
 an reform, they have opposed all progressive measures.  
 tempts towards organization of peasant communities  
 nat) failed because they seemed likely to involve raising the  
 living standard and increasing wages. The pathological  
 shown towards the Sultan Sidi Mohammed ben Youssef  
 om the Sultan's desire to demand the end of direct ad-  
 ation and the establishment of a Moroccan Government,  
 ower laid down by an agreement permitting a gradual  
 in towards Moroccan independence under his leadership.  
 her cadres of the administration, completely in the hands  
 settlers, were bent on substituting a colonial regime for  
 tectorate. To do this, it was necessary to surmount the two-  
 tacle of the Sultan and the Istiqlal party, whose influence  
 spreading even into the mountainous Berber regions. The  
 s instigated by General Juin, who in 1951 made an initial  
 at organizing disobedience to the authority of the Sultan  
 ng out tribesmen who did not grasp the role that they  
 ing made to play.

ral Juin's successor, General Guillaume, fell heir to his  
 . The plan, skilfully fostered by the officials of the Resi-  
 nd without the knowledge of the Government in Paris, with  
 port of el Glaoui, an unscrupulous feudal chief who was in  
 ket of the high officials in Rabat, resulted in the deposition  
 Sultan on 20 August 1953. M. Bidault, then the French  
 Minister, who had himself forbidden a virtual *coup d'état*,  
 iced with a *fait accompli* yielded and, for reasons of State,  
 the defender of a measure that he had previously con-  
 l. The representatives of the Istiqlal and the Independence  
 ere arrested *en masse*. France thus lost the possibility of  
 ting with the very elements who, from their intellectual  
 und and economic interests, were the ones most fitted to  
 n understanding with her. The opposition passed into the  
 f the Casablanca proletariat. Terrorism, a primitive form of

nationalism, henceforth wreaked havoc. Openly reactionary police authorities took charge, and counter-terrorism, supported by the passive or active complicity of responsible circles, built up its organization unscathed. The opposition between French and Moroccans, each afraid of the other, turned into a kind of civil war. Moroccan Frenchmen denounced as traitors those of their compatriots, whether in France or in Morocco, who advocated any solution other than repression by force. In this way a great French industrialist, M. Lemaigre-Dubreuil, whose only crime was that he had founded a paper advocating Franco-Moroccan understanding, was done to death. On the other hand nothing was done by way of reforms to build up the credit of the new Sultan Ben Arafa, who had been installed by the administration.

The gravity of the situation last June prompted the Government to appoint as Resident-General in Rabat a strong man, M. Grandval, who, it was hoped, would obtain the voluntary withdrawal of the 'pseudo' Sultan Ben Arafa, now universally rejected by public opinion, and the nomination of a regency council, with the concurrence of the exiled sovereign whom it was planned to bring back to France. The crisis reached its climax in July. The Resident got rid of most of the leading officials in the central administration and the police. He even expelled the President of *Présence française*, a group composed of incensed settler 'die-hards' who were attempting to dictate to the Government. M. Grandval, harassed, jeered at, abandoned by his military colleagues, and even threatened with death while the police turned a blind eye, withstood the storm, but Paris failed to uphold him and the Foreign Minister, M. Pinay, asked for his recall. The Prime Minister, M. Faure, a compromiser rather than a strong man, yielded and broke off the experiment at the moment when it might perhaps have been about to succeed. The Government also refused, as a point of honour, to approve the establishment of a Council of the Throne before 20 August, the second anniversary of the deposition of Sidi Mohammed ben Youssef, despite M. Grandval's declaration that 'Time is blood'. The revolts in the Moroccan Atlas and the massacre of Frenchmen in the department of Constantine bore tragic witness to the correctness of his views.

After the departure of M. Grandval Moroccan administration, entrusted to the new Resident, General Boyer de Latour, reverted to the control of the settlers. The *Présence française* group demanded the retention of Ben Arafa and organized a military

round his palace. In Paris, a veritable giunta, led by Marshal Lyautey and the former Prime Minister, M. Georges Bidault, ended the French rebels, drew up protests for Ben Arafa and el Glaoui and did all they could to checkmate M. Faure's intentions. The Ministers gave orders to the Resident in contradiction to the Minister responsible. The President of the Army Committee called upon Ben Arafa to ask him to reject the conclusion of the agreement which had been reached during discussions between a French Government delegation and Moroccan representatives at Aix-les-Bains towards the end of August. The Resident, yielding to pressure from *Présence française*, against his own inclinations obtained the Sultan's agreement, not to his abdication, but the delegation of powers to one of his relatives. Efforts were made to alter the composition of the Council of the Throne by introducing into it some enemies of the former Sultan. The French lists, whose moderation had impressed the plenipotentiaries at Aix-les-Bains, and who expected that the agreement reached by the Prime Minister would be carried out, felt they had been deceived. The Moroccan situation grew steadily worse, and then on the Rif borders, encouraged and helped with food supplies by the Spaniards, was a fresh sign of the general unrest. Suddenly the situation changed. Thanks to the conciliatory efforts of Sidi Mohammed, the nationalists agreed to a modification (to their own disadvantage) of the Council of the Throne's composition. Ben Arafa, separated from his advisers, agreed to reverse his earlier decisions. The return of the exiled Sultan to Morocco was announced. The unexpected news that el Glaoui was prepared to rally to him came like a bombshell. This astute caid, realizing that the game was lost, sought to preserve his power over the Atlas tribes, by now increasingly in revolt against him. His only strength lay in the support of the administration; since he could not affirm his power unaided he preferred to come to an agreement. Thus it became apparent even to the least observant that the clash between the two opposing forces in Morocco, which had been advanced as the justification for the deposition of Sidi Mohammed, was nothing but a fiction invented by the Rabat administration. The whole edifice crumbled. The rebel caids vied with each other in their zeal to submit, and the Kittani rediscovered the meaning of legality. The Resident, who had threatened to resign if the possibility of Sidi Mohammed's return was confirmed, and *Présence française*, which had been calling for sedition,

alike urged the Government to re-establish on the throne the 'ex-Sultan' to whom settler Moroccan newspapers now restored the title of 'His Majesty'. On 6 November the French Government formally recognized that Sidi Mohammed had been re-established in his full rights and that Morocco should become a sovereign State, attached to France by ties of interdependence.

Never has a policy of force met with such complete failure. The coup of the Generals and the administrators, the settlers' solemn threats, the indecisions of M. Faure, the official declarations that the former sovereign should never return to the throne, all combined to make Sidi Mohammed the arbiter of the situation. He is intelligent enough not to abuse his victory. The Moroccan crisis has within the space of two years caused a decisive new stage to be reached. Public opinion, which scorned Ben Arafa, imam of the imams though he was, and which has deserted the mosques, will henceforth separate the temporal from the spiritual. Theocratic autocracy will make way for a constitutional monarchy. It is an innovation that will not only transform Morocco but which may also bring with it incalculable consequences for North Africa as a whole and even for Islam itself.

#### ALGERIA

From now on it is in Algeria that the most serious problems will be found, for there there is no qualified spokesman for the population such as Bourguiba in Tunisia or Sidi Mohammed in Morocco. The people have lost confidence in France's good faith, and that is an extremely serious matter. In 1947 the French Assembly voted a Statute for Algeria which granted a wider degree of autonomy. All the measures in favour of the non-Muslim French were carried out, but not even a beginning was made in putting into effect those concerning the Muslims—in particular, the separation of Church and State and the provision of education in the Arabic language. Consequently Algerians lost faith in the law. When they were called upon to vote, it was common knowledge that the administration, by means of a familiar technique, faked the elections. Those elected to the Algerian Assembly and the French Parliament were, in most cases, chosen by the administration and not by the electors. Thus the Algerians lost faith in democratic representation. Contempt for the law, and the faking of the elections, operated in favour of the violent elements in the population. Exploitation of the masses by the caids who were loyal to the French administration,

sing poverty, unemployment, and propaganda broadcasts. The Cairo and Bucarest radios, all helped to create an atmosphere favourable to insurrection.

Revolts broke out on 1 November 1954, in the first place in the region. At the beginning there were only some three or four armed rebels, but the movement soon spread throughout the department of Constantine and Kabylia. Today there are between 3,500 and 5,000 guerrillas in the maquis. Troops, numbering about 180,000, cannot hold in check these small, fluid bands which disperse at once after carrying out a coup. The crises they perpetrate have called forth stern repressive measures which, far from reducing tension, have only served to intensify resistance. French public opinion is becoming increasingly hostile to a war whose reasons it does not understand, and which necessitated the call-up of 60,000 young men uprooted from civilian jobs. Officers tell the wealthy *colons* that it is not their duty to defend the settlers' millions against poor wretches dying of hunger. The *colons* in their turn denounce the lack of enthusiasm. Many Frenchmen are asking themselves if the billions spent on the war might not have served to do it if they had been invested in economic development and progress. Alike in France and in Algeria people are seriously troubled about the whole situation.

It is to be feared that the traditional half-measures will not be able to put an end to it. There is a growing demand that contact should be made with the rebel chiefs and that free and properly conducted elections should be announced which would produce a really representative body with whom discussions could be held. Despite the official declarations concerning Algeria and Tunis as an integral part of France, the choice will have to be made soon. Integration means the election of 120 Deputies out of a total of 600 in the National Assembly, and the application of all French social laws in Algeria—which is impossible. The only solution is federalism. France will probably be compelled by circumstances to accept this, but in so doing she would lose, as in Morocco, the advantage and prestige that would have been hers had she herself taken the initiative.

Throughout the past ten years profound changes have been going on in North Africa. The most important, though the least obvious, change is in the status of women. Moroccan women have been in the forefront of the movement supporting Sidi Mohammed ben

Yussef; Tunisian women play an active part in the Destour movement, and in the Constantine region the courage and daring of Algerian women terrify their parents, who simply cannot keep up with them. The apprenticeship to independence cannot come about without mutual effort on both sides. It is in this direction that France can play a very important part. Her intellectual prestige remains untarnished, and among the majority of nationalists there is plainly a strong desire for close collaboration. Given intelligence and honesty, there is no North African problem that cannot be settled to the common benefit of all alike—Frenchmen, Tunisians, Algerians, and Moroccans.

C.-A. J.

## *Soviet Policy in the Middle East*

DURING the initial stage of the Geneva conference this autumn Middle Eastern affairs preoccupied the Foreign Ministers as much as any other single issue, though the topic did not even figure on their official agenda. At the time of their previous meeting in Switzerland last July only a few observers had begun to think about the Middle East as a new potential centre of West-East rivalry. But since then, as the result of a well-prepared Soviet political offensive, the Middle East has become in the course of a few weeks the main area of the cold war, of international tension, or whatever we may choose to call it.

### EARLIER RUSSIAN POLICIES IN THE MIDDLE EAST

The Soviet political offensive in the Middle East may have taken some Western statesmen unawares, but it certainly did not come altogether suddenly and surprisingly: there had been many signs to foreshadow it. Some observers have noted, indeed, that the only remarkable thing about the Soviet drive was that it came relatively late in the day: it might well have been launched in 1951-2, in the days of Musaddiq in Persia and the 'Black Saturday' in Egypt. This delay shows, if anything, what has been known for some time, that the Soviet policy of expansion is coupled with a great measure of caution.

er the second World War the Soviet political line had for years been to keep aloof from Middle Eastern affairs and to maintain an attitude of studious unconcern in relation to that area. As a result, not a few Western observers have tended to think that this apparent unconcern could be no more than a transient phenomenon in view of Russia's geographical proximity to the Middle East and her traditional interest in it. It has been easily forgotten that throughout the nineteenth century, and longer ago, the Near and Middle East was Russia's main theatre of interest and expansion, and the 'Oriental question' was one of the main bones of contention between the Powers for more than a hundred and fifty years. Then, as now, Russian policy was directed at launching or strengthening anti-Turkish movements in peripheral areas. It was to that end that Baron von Thon, the earliest predecessor of Mr Daniel Solod, now Russian Ambassador in Egypt) was sent to Cairo by Catherine II. (The end of his mission was unfortunate: he was strangled in prison on the orders of Ibrahim Pasha who, in an official communiqué the next day, 'deeply regretted' the sudden death of the Russian consul.) Important observations on Russia's Oriental policy were made, from opposite vantage points, by Karl Marx and Friedrich Engels in their articles on the Crimean War and by Dostoevski in his *Notes from a Writer*. Marx, in particular, noted the incessant territorial progress made by Russia since the time of Peter the Great, and expressed the view that Russia was superior to the West in industry and in the application of clever political stratagems. After 1917 the Bolshevik leaders renounced Tsarist imperialism; in subsequent years, too, when the original anti-imperialist ardour which had long since disappeared, the Middle East continued to be of great interest to Moscow in view of its reduced political importance in the absence of a strong Communist or nationalist revolutionary movement in that part of the world. In the wake of the first World War some attempt was made to gain a foothold in the region; this could be seen, for example, in the demand for the return of several Turkish provinces (and pressure on Turkey in this regard), and in the U.S.S.R.'s reluctance to evacuate its positions in northern Persia.

It is difficult to say in retrospect whether the Russian retreat from the Middle East in 1946 was merely the tactical response to American pressure or formed part of a settled policy. There can be no doubt that Soviet absence from the Middle East paid handsome



dividends in 1949-52: Soviet and Communist propagandists could point to the sharp contrast between Moscow's policy of 'hands off' and 'Western Imperialist' attempts to 'organize' the area and draw the various countries into all kinds of suspect 'defence' blocs. These Western activities tended to fan smouldering anti-Western resentment and to antagonize the Arabs, most of whom were psychologically quite unprepared to understand the situation: the Soviet danger was in their eyes some mythical invention, or perhaps a clever stratagem, of American and European 'Imperialists' desirous to perpetuate their rule in the Middle East. As a result, Soviet prestige grew.

#### THE NEW OFFENSIVE OPENS

These developments were undoubtedly highly agreeable to Moscow. But prestige is only something in the nature of a prerequisite in international politics: it helped Moscow up to a point, but no further. It did not prevent, for instance, the Turko-Iraqi alliance of January-February 1955, which subsequently, following the adhesion of Persia, Pakistan, and Britain, resulted in the construction of the famous 'northern tier' of States allied to the West. The emergence of this defensive alliance was viewed in Moscow with far greater concern than was realized in the West at that time: in retrospect it appears quite clear that Moscow then realized that a more active Soviet policy would be needed from now on in the Middle East. Prestige alone would not be enough to promote Soviet interests in that part of the world. It was, as subsequently emerged, the turning point in Soviet Middle Eastern policy. *Izvestia* published on 17 April 1955 a statement of the Soviet Ministry of Foreign Affairs on the Middle Eastern situation which at the time attracted little attention but which in effect announced the change in Soviet Middle Eastern policy. It began by stating that 'the situation in the Middle East has greatly deteriorated of late', and ended with the declaration that the Soviet Union would, 'in the interests of peace', do everything to develop closer relations with the countries of the Middle East.

The Soviet Middle Eastern offensive was foreshadowed in another field, little remarked at the time by Western observers: the revival of Soviet Middle Eastern studies and the important revaluation of ideas undertaken at the same time in the Middle Eastern field. The study of the contemporary East had virtually come to a standstill as the result of the surge of the nineteen-

and had not been revived throughout the 'forties. It was the winter of 1954/5 that fresh impetus was given to Soviet studies. After a break of eighteen years Soviet Eastern were again given a magazine of their own (*Sovetskoe vedenie*; the first issue appeared by a coincidence in April the same month in which the Foreign Ministry's statement Middle East was published). There was a sudden flood of books and studies, and the official party bi-weekly, *Kommunist*, satisfied, in May 1955 called for a fresh upsurge of interest Middle Eastern field, for more and better books and more experts. This revival was anything but academic: it was a reflection of the growing Soviet interest in the Middle East. It went to a good deal more than the mere publication of a few new books or periodicals, and coincided with a far-reaching reevaluation of Russia's estimates concerning some of the Eastern States.

giving Soviet comment on Egypt may serve as an illustration. The leading Soviet Egyptian expert, Mrs L. Vatolina, had characterized the Nagib-Nasser regime as 'madly reactionary, tyrannical, anti-democratic, demagogic', etc.<sup>1</sup> A year later, in a work published by the Soviet Academy of Science on the 'Foreign Policy of Africa',<sup>2</sup> the Anglo-Egyptian treaty of July 1954 was as 'contrary to the national interests of Egypt and the other countries'. The Egyptian Government was again attacked for its 'undemocratic character, and it was stated rather ominously that Egyptian toilers would still have to fight many a struggle before the dawn of real democracy'. Communist criticism became even more violent following the execution of Muslim Brotherhood leaders and the arrest of Communist militants in Egypt throughout the winter of 1954/5. But in the late spring and early summer of 1955 his attitude was radically modified. In June the Cairo radio were being praised by Moscow radio for their stand against imperialist defence pacts and for neutralism, and in early July they were commended for the support given to the Sudan, 'which played an important part in the liberation of the Sudanese people'.

Nasser received a pat on the back, for 'dressed in the uniform of a lieutenant-colonel he had contributed a great deal to the success of Bandung, supporting the principle of

*Revolutionary Struggle in Africa and the Liberation of the Peoples*, 1954, pp. 97 et seq.  
*Struggle in Africa*, Moscow, 1954, p. 213

peaceful coexistence.<sup>1</sup> The same Soviet source soon after stated even more emphatically that 'both Egypt and the Soviet Union stand squarely on the platform of peace and oppose the policy of aggression. Common to them is the deep desire to live in peace'.<sup>2</sup>

This change in the Soviet attitude was not, of course, due to any sudden realization in Moscow that some grievous ideological mistake had been committed *vis-à-vis* Egypt. The new line was the outcome of a number of factors: a more elastic approach; an endeavour to introduce a more active Soviet policy in relation to the Middle East; and, lastly, the realization that certain common interests between Moscow and Cairo had in fact emerged. Syria might have served as an alternative jumping-off ground for Russian policy in the Middle East: Syrian Communists had considerable, if indirect, influence on their country's foreign policy at the time. But Syria is not a central factor in Middle Eastern politics, and consequently the choice fell on Egypt. Ideologically, such a rapprochement presented no particular difficulty for Moscow; Stalin and his disciples have carried out more difficult manoeuvres in their time.

Soviet emissaries found in Cairo a political climate highly propitious to their plans. The Cairo leaders deeply resented the fact that they had lost their predominant status in the Arab world, following the transfer of the centre of political and military gravity in the direction of the 'northern tier'. To pursue a Great Power policy has been the one constant urge among Cairo policy-makers; and Soviet assistance in their eyes offered the double chance of regaining supremacy in the Arab League and making Egypt a leading African Power. Soviet leaders were little concerned about the motives influencing the Egyptian junta. In the nineteen-twenties and the early 'thirties Comintern officials had warned against making use of the bourgeois nationalist movements in Asia and Africa which desired closer relations with the U.S.S.R. merely in order to play off the West against the Soviet Union and vice versa, thus strengthening their own position. But the international situation had changed during the past thirty years; the Soviet Union itself had grown in strength and experience, and was now willingly prepared to take upon itself that calculated risk. Few if any political leaders have ever succeeded in getting the better of Moscow in a deal: it appeared unlikely, to put it mildly, that

<sup>1</sup> *Mezhdunarodnaya Zhizn*, No. 7, 1955, p. 84.

<sup>2</sup> *Ibid.* No. 8, 1955, p. 117.

Gamal Abdul Nasser and his colleagues would succeed where more sophisticated and experienced statesmen had failed. Lastly, it has to be recalled that certain striking affinities exist between the Communist regime and other twentieth-century dictatorships, and that they are closer to each other than to the democracies: there is a surprising similarity between the anti-Western propaganda of the Soviet Union, Nazi Germany, and present-day Egypt.<sup>1</sup> This too may have contributed to a certain extent to a rapprochement between the two regimes.

Since the spring of 1955 the new Soviet line in the Middle East has been reflected in increased political, economic, and cultural activity in that part of the world. Soviet 'cultural missions' and sports clubs (mainly footballers and weight-lifters) toured Egypt, Syria, and the Lebanon. Among the Arab delegations which have recently visited the U.S.S.R. were a Syrian parliamentary group (in July 1955), a Syrian scientists' mission, and an Arab Women's delegation. Hassan el Bakouri, Egyptian Minister of Waqfs, visited China, and Fathi Ridvan, Egyptian Minister of Communications (at one time co-founder of the fascist 'Misr-al-Fatah') went to Hungary and Czechoslovakia. Soviet and Chinese Muslim pilgrims came to Mecca in July and visited Al Azhar in Cairo. The Orthodox Patriarch of Antioch, Alexander III, went to Moscow with several other Syrian and Lebanese bishops on another goodwill tour. But Alexander Tahan had been known as a friend of the Soviet Union for many years, whereas Christoforos II, Patriarch of Alexandria and all Egypt, who also went to Moscow in the summer of 1955, had not previously been known as a sympathizer. All this—and the list could be prolonged—does not perhaps add up to much in comparison with Soviet activities in Europe. But the Middle East had been neglected by the Communist bloc for some time and there was something of a novelty in all these visits.

#### ECONOMIC RELATIONS

The state of affairs in the economic field has given rise to various misconceptions. Recently there has been a Soviet trade drive in the Middle East, but its scope has been limited and its political impact restricted. Eastern bloc imports from the Middle

<sup>1</sup> The following quotation from Cairo radio, one among many, may serve as an illustration: 'U.S. democracy leaves the capitalist free to rule the country while the masses chase dollars and watch baseball. The U.S.S.R. is a true democracy with rulers taken from the people through the Communist Party' (Cairo Radio, 11 October 1955, in *Summary of World Broadcasts*, No. 615, part 4, p. 20).

East (including Greece and Yugoslavia) increased in 1954 about 56 per cent over the 1953 figure, while exports to the East increased by about 26 per cent. But a closer scrutiny of the figures shows that in comparison with 1952-3 the increase is far less marked (24 per cent for exports and 10 per cent for imports). It also shows that trade relations with Greece and Yugoslavia have developed at a swifter pace than those with the Arab countries who were the main object of Soviet wooing. In the autumn of 1954 the Soviet bloc took about 16-20 per cent of Egyptian exports, which was considerably more than the 1953/4 figure (9 per cent) but not much more than the amount taken by Communist countries in 1952/3 (16 per cent). But the situation in the oil field has changed recently as a result of the arms deal with the Soviet bloc in consequence of which, it is reported, Egypt has to mortgage most of her cotton and rice crops for the next few years.

Czechoslovakia and Hungary have made great efforts to get larger slices of the Egyptian market, and the Soviet pavilion made much impression at successive Damascus fairs. Egypt has made trade agreements with most of the satellite countries, including a tripartite agreement with Rumania and the U.S.S.R. according to which the latter supplies petroleum products at prices 15 per cent below the world market. Egypt also has a new trade agreement with Communist China, and negotiations between several Western States and other Eastern bloc countries are pending. Significant for the political character of these trade relations is the fact that almost all Middle Eastern countries can at present show an export surplus in their trade with the Communist bloc.

Nevertheless, it would be wrong to compare the Soviet drive with the German drive in the Balkans in the late 1930s. Communist possibilities are more restricted: the Soviet Union cannot offer a wide range of finished products, and it cannot import less in the way of raw materials. Its underlying motive, according to all evidence, is to gain the maximum political advantage as the result of the minimum economic investment. The drive is mainly governed by political, not economic, considerations and trade relations are therefore frequently artificial. No attempt has been made so far to gain a monopoly for the Soviet Union (as the Germans did in the Balkans); rather the aim has been to take some commanding positions by a few well-chosen investments.

The same goes for the recent Soviet offers to give the

countries economic aid and equipment and building materials to cover their needs in all aspects of economic development, including the \$250 m. project of the Aswan dam, a plan which has intrigued Egyptian rulers for more than a generation. It is difficult to comment on these reports, if only for the reason that no details have been made known so far, apart from those which have emanated from Middle Eastern capitals (as yet unconfirmed by Moscow) and which have therefore to be taken with due caution. It is a well-known fact that Soviet industry, like that of other countries, is now in the throes of a second technological revolution demanding enormous investments. It is no secret either that Soviet industry has been unable to give all the help needed by China,<sup>1</sup> and it is therefore unlikely that it can undertake and carry out major new obligations elsewhere. The assistance promised to the Middle Eastern countries would therefore appear to be of psychological rather than material importance. It strengthens, for instance, the bargaining position of the Egyptian Government *vis-à-vis* the World Bank and the West in general; and for this, admittedly, the Egyptian Government has reason to be grateful to Moscow.

#### THE EGYPTIAN-CZECH ARMS DEAL

But on the whole it is difficult not to regard trade relations (like the new cultural and religious ties) as minor developments, side-shows to the main events which are taking place on the political scene. The negotiations leading to the arms deal with the Soviet bloc apparently took place in Cairo in July and according to some reports were initiated by the Soviet Union. D. P. Shepilov, editor-in-chief of *Pravda* and of recent months a prominent figure in Soviet foreign policy, came to Cairo in July to take part in the Liberation celebrations and on that occasion declared that 'the sentiments of the Soviet people are wholly on the side of the Egyptian People's aspirations'.<sup>2</sup> Several days later it was officially announced that Premier Nasser had been invited by the Soviet Government to visit the U.S.S.R. In late August rumours of a Communist-Egyptian arms deal began to spread, and provoked comment from Mr Dulles.<sup>3</sup> The Israeli Minister in Moscow,

<sup>1</sup> See 'Trade between China and the Soviet Bloc', in *The World Today*, May 1955.

<sup>2</sup> *Tass* cable, 29 July 1955.

<sup>3</sup> According to a *New York Times* correspondent (26 October 1955) the State Department had known as early as 3 June that Moscow was getting ready to send armaments to Cairo. Gamal Abdul Nasser revealed on 27 September that the arms deal with Czechoslovakia had been signed 'about a week ago' (*Al Ahrām*,

when he asked for information, was told that these reports were inventions and that no negotiations were in train, nor had the U.S.S.R. even considered selling arms. But there was an important postscript: the Soviet Union, he was given to understand, regarded the sale of arms needed for the defence of the purchasing State for internal security measures as a normal commercial transaction.

By the end of September the news of the arms deal could no longer be kept secret. It was first revealed by Gamal Abdel Nasser, member of the Cairo junta, on a trip to India, and subsequently confirmed by the Egyptian Government. Soviet press agencies for some time tried to play down these 'exaggerated reports', stating that there was no ground for Western anxiety. But in view of the evident concern in the West this approach was discarded after some days, and *Pravda* on 2 October carried a short statement concerning the agreement which reiterated that the State has the legitimate right to look after its own defence and to buy weapons for its defence requirements from other States on usual commercial terms'. Elsewhere the Soviet press put forward attacks against the West from Arab sources, according to which the U.S.A., Britain, and France were criticized for not having supplied more arms to the Arab States and for having stipulated all kinds of 'conditions', such as the demand for guarantees that the arms supplied would not be used for aggressive aims.

According to the evidence available, Soviet leaders have had misgivings as to the impression which their policy would make in the West. The fact that Czechoslovakia, not the Soviet Union, was chosen to carry out the 'commercial transaction' points to this. The statements of Arab leaders were as a rule reported in the Soviet press, but the anti-Israeli attacks were usually concealed. And the anti-Western polemics on Middle Eastern issues in the Soviet press ceased on the eve of the second Geneva conference. There was no wish to shelve a new policy that had proved so successful, but there was no desire either to see the Soviet Middle Eastern offensive become the subject of close international scrutiny.

By comparison, all other developments in Soviet-Eastern relations since early October 1955 have been of minor importance: Moscow's denial that arms had been offered to

---

Cairo, 28 September 1955). According to a speech by Mr M. Sharett in the Israeli Parliament, the history of the arms deal was rather more complicated. 'Egypt had not turned to Czechoslovakia to ask for arms, nor had Czechoslovakia offered these. The initiative for such an arrangement has come from the Soviet Union . . .' (*Jerusalem Post*, 20 October 1955).

was a matter of routine. The Middle Eastern situation being what it is, it was sufficient to supply arms to only one of the rival camps in order to promote Soviet interests in the area: arms supply to both sides would have created complications and raised unnecessary suspicions of foul play. Persia's adhesion in mid-October to the Turko-Iraqi pact provoked emphatic and dire, if unspecified, threats in Moscow, and the Governments belonging to the defence pact were described as the 'lickspittle of the colonizers'. As a counterpoise, Soviet activities in other countries were stepped up: diplomatic relations with Saudi Arabia were re-established, the Soviet-Yemen pact of 1927 was renewed, negotiations for diplomatic contacts with the Sudan and Libya were started, and arms were offered to Afghanistan, Syria, and Saudi Arabia—all within the second half of October.

#### REASONS FOR THE NEW OFFENSIVE

Soviet policies in the Middle East have been successful in recent months, and Soviet designs in that area are fairly transparent. Nevertheless, at least in the early days of the Soviet offensive, several conflicting interpretations were put forward by Western observers in explanation of its motives and background. It transpired only gradually that, far from removing the dangers of local wars, the Geneva conference of July 1955 had actually increased them. For once it became plain that a global war was ruled out by both sides, it became far less dangerous than before for interested parties to engage in local conflicts. The Communist leaders have apparently drawn the obvious conclusions from this new situation. But part of Western public opinion has continued to believe that the 'spirit of Geneva' meant that the Communist world had abandoned the idea of promoting Communism and Soviet interests by force outside the present frontiers.

Others argued that the recent Soviet moves in the Middle East had come merely as a reaction to Western defence schemes in that part of the world, that it was a defensive rather than an offensive action. It may be true that the establishment of the 'northern tier' hastened the Soviet drive in the Middle East, but it is extremely unlikely that Moscow would in any case have 'neglected' the Middle East in its global plans for much longer. If the Soviet arms supply to Egypt and the other recent moves constituted a defensive action, it would seem to follow that the Soviet leaders might be ready to join the Western Powers in their endeavour to maintain



peace and stability in the Middle East—to sign a declaration, guaranteeing the *status quo*. But such a hypothesis appears unrealistic; Soviet diplomats may of course prefer to close altogether the door to diplomatic negotiations with Israel with a view to removing the ‘northern tier’—while still maintaining the Soviet positions. Basically, however, Russia has not much to gain and much to lose from the preservation of the *status quo* in the Middle East. The assistance to Egypt is given at present for the very same reason that Israel was supported in 1948: that it is to be the factor most likely now to upset the political balance in the Middle East.

Another fairly widespread misconception is the assumption that ideological considerations are somehow involved in so far as the Soviet Union is concerned. But Soviet policy in the Middle East (where no influential Communist parties exist) is almost free from ideological motivation; it is power politics plain and simple. If we disregard for a moment the propaganda which would appear that the Soviet policy-makers like one Eastern country as much as another. But they like even conditions conducive to the spread of Communism and Soviet influence. Such conditions come into being (as the experience of the last forty years has shown) mainly in the wake of war, when the machinery is weakened—and not only in the State that lost the war. Stalin in his last pamphlet reiterated the thesis of ‘inevitable armed conflicts’ within the Western camps. He would be less than faithful to the teachings of both Lenin and Stalin if they failed to exploit such a promising situation in the Arab–Israeli conflict. Russia has no vested interest in the defeat of Egypt in a possible war, despite the assistance rendered to it; on the contrary, it may be imagined that the conditions for the growth of Communism in a defeated Egypt or Syria would be more favourable than in an Israel which has lost a war. But be that as it may, if Egypt should prevail in the arms race against Israel it owing to Soviet help, and Soviet prestige will increase enormously. Conversely, if Egypt should be defeated for a second time, Communism (and thus, indirectly, the Soviet Union) will be the main beneficiary. It is a case of heads I win, tails you lose.

#### FUTURE PROSPECTS

Soviet penetration in the Middle East offers great prospects, but there are, at present, certain limitations to it. Soviet action

region tend to jeopardize to a considerable extent the 'climate of confidence' which Soviet diplomats have with much effort created in Europe. Soviet policy-makers appear to be ready to accept this risk to a certain extent, and they are disinclined to give up what must appear to them a most promising line of action. But it is possible that in the face of Western pressure Soviet action might become more cautious; little may change in substance, but its openly hostile character in relation to the West might probably be concealed. For similar reasons it is unlikely that the Soviet bloc will take an openly hostile stand *vis-à-vis* Israel: Jewish public opinion in the West—and, perhaps, to a certain degree behind the Iron Curtain too—will not be needlessly antagonized by Moscow.

Basically, however, all signs point to the likelihood that the present Soviet offensive in the Middle East will be continued. Even if it should not come to a local war, Russia's alignment with Egypt, and to a lesser degree with Syria and Saudi Arabia, is highly important for Moscow because it may disrupt Western defence schemes. These pacts may be the prototype of a new form of alliance in specific Middle Eastern style. True, neither the local Communists nor the democratic liberal elements figure in this 'popular front' inspired from above. But the political effect may well be similar. When the European Socialist movements tried to counter Communist attempts to subvert their parties during the 'Popular Front' period they had at least some experience and an organization to operate with. Middle Eastern leaders have neither the same experience of Communist theory and practice nor a political organization to enable them to stand up to their present allies. What they have by way of ideological equipment is woefully insufficient to compete with the vast appeal of Communism in backward areas. The Egyptian leaders are beyond doubt perfectly honest in their protestations that they want Communist arms, not ideas. But the very idea that they will be able to get the one without the other points either to megalomania or to an extraordinary degree of naiveté and lack of experience and political imagination—and perhaps to both. There are historical reasons for all this, and the U.S.S.R.'s policy has astutely exploited them. In its blue-prints Egypt and Syria have become the 'weakest link' in the non-Communist chain. It would be difficult to deny the validity of this assumption.

W. Z. L.

## *Causes and Consequences of the Plebiscite in the Saar*

ON 23 October 1955 the inhabitants of the Saar territory reje by 423,434 to 201,973 votes a Statute to which the French West German Governments had agreed, and according to w the Saar would have acquired an autonomy limited by the appment by W.E.U. of a Commissioner to guard its Constitution to represent its interests abroad. The last few days of the plebi campaign were fully, though not always accurately, reporte the English-speaking press. But the campaign as a whole, its b ground, and its consequences were not very seriously analyse

In order to clarify the situation which had arisen it is neces to point out that the Statute to which M. Mendès-France and Adenauer had agreed a year before was a mangled version of excellent van Naters Plan<sup>1</sup> prepared earlier for the Council Europe. The newer project was a tangle of confusion, full of intention ill defined. Of this a good example was clause VI, w laid down that the pro-German parties should be free to func three months before the Statute which contained this clause voted upon, i.e. three months before it could, if it depended u acceptance by plebiscite, legally come into operation. Thus if Statute were rejected these pro-German parties would have further right to exist. A meaningless phrase was added to this s clause VI, according to which all external interference<sup>2</sup> with pu opinion in the Saar plebiscite was to be excluded when W.E.U. Plebiscite Commission attempted to differentiate, obj ing to statements made by the political parties in Bonn but no official German or French statements, it became ridiculous was impossible to suppose that a new pro-German daily pa such as the Christian-Democrat *Neueste Nachrichten*, w carried very few advertisements, was not partly financed f Germany, but although the Statute specifically referred to in ference with the press it was impossible for the W.E.U. C mission to prove that this was so.

As many observers agreed, the worst thing of all about Statute was the decision contained within it that it was to

<sup>1</sup> See Note of the Month in *The World Today*, July 1954.

<sup>2</sup> German text: Jede von aussen kommende Einmischung; French text: T immixtion venant de l'extérieur.

approved by referendum (this was the word used in the French text, translated in German, of course, as *Volksabstimmung*) before coming into more than the partial operation indicated above. Since the Napoleons introduced plebiscites it has become ever clearer that this is a deplorable method by which to make permanent or long-term political decisions: by this means the latter are made to depend upon despotic pressure or popular passion or a combination of both. Otherwise, in a free society like that of Switzerland, the electorate tends to reply with an unrelenting 'No' to any unfamiliar request for its approval. A much more satisfactory result is reached when the matter has been debated by elected representatives and left to their decision. In the case of the Saar Statute, moreover, the plebiscite was superfluous. It would have been more reasonable and more practical to allow the Saar Landtag to approve the Statute as the Parliaments of Paris and Bonn had done. The pro-Germans complained that the Landtag had not been freely elected; but, the Statute once accepted, they were to be free to campaign in elections to a new Landtag, and to work against the Statute (though it was not to be called in question) until a referendum at the time of the peace treaty. The extraordinary thing was that it seems to have been M. Mendès-France who insisted upon the preliminary referendum, while Dr Adenauer and his advisers, who wished for Landtag elections to start with, evidently expected that a popular vote would lead to acceptance of the Statute; indeed, they were only induced to agree to the first referendum by a French proposal in favour of the second and final one.

In the elections to the Landtag on 30 November 1952 the Prime Minister of the Saar, Herr Hoffmann, had won unexpected support for his conception of a quasi-autonomous Saar as the first link in the chain of a West European Federation. In the course of 1954, however, his success was cancelled out by the remarkable and growing prosperity of Western Germany on the one hand, and on the other by the political weakness and protectionist economics of France, with which the Saar was united for all fiscal, financial, and tariff purposes. The defeat of the E.D.C. project in Paris on 30 August 1954 dealt an irreparable blow to Herr Hoffmann's policy: although the French had declared for eighteen months previously that they could only accept the E.D.C. if a Saar settlement preceded it, he had counted upon the E.D.C. going through. In 1955 he seemed to have been justified when the Paris Treaties

were made to depend upon the German acceptance of the Statute.

#### THE CHANGED ATMOSPHERE OF 1954

The Saarlanders have never at any time, since the Treaty of Versailles made them politically articulate, been content. The external events and developments of 1954 brought to the surface all their resentments against the French and against the Hoffmann regime. The latter was compelled by the tariff union to depend upon France, though Herr Hoffmann himself often resisted French pressure sturdily and made himself unloved in Paris by doing so. After stiff negotiating for several months he induced French representatives to agree to a revision of the Convention of 1950 (which had hitherto governed Franco-Saar economic relations) in new agreements signed on 20 May 1953. According to the latter the French agreed to replace their *Régie des mines de la Sarre* by the *Saarbergwerke*, which were to be under joint Franco-Saar control. In the atmosphere of 1954 the Saarlanders complained that the change was only on paper,<sup>1</sup> and pointed out the delicate question of the Warndt mines had merely been shelved when a special commission was appointed to deal with it. Indignation was constantly fed by the idea of these richest mines in Saar territory being leased to the *Houillères du Bassin de Lorraine* and mined from there.

A latent grievance which became an active one at this time concerned the biggest steel-mills in the Saar, at Volklingen and Neunkirchen respectively, which had been sequestered by the French in lieu of reparations at the end of the war. Both were under the direction of M. Georges Thédrel, who was not popular in the Saar in 1953: although there were complaints that the steel-mills were neglected, one often heard Saarlanders speak of Thédrel as if they felt that he cared for their interests, and it was known that he sometimes had disputes on their behalf in Paris. During 1954 plans for the collaboration of French and German industry<sup>2</sup> were superseded by more nationalistic claims and attitudes in the Saar. Herr von Stumm, who with Otto Wolff shared the capital holdings of Neunkirchen, and still owned nearly 10 per cent of the Dillingen steel-mills which had once belonged to

<sup>1</sup> The French retorted that they were bound to rely upon French technicians and managers until more Saarlanders were trained, for they refused to appoint Germans not from the Saar.

<sup>2</sup> See 'The Future of the Saar', in *The World Today*, May 1953.

family, began to grumble that the French were trying to edge him out completely.

Widespread resentment was provoked, however, over the Röchlings, formerly of Völklingen, who had treated their employees well and had been much more popular. Old Hermann Röchling had been an enthusiastic Nazi and after the war the French condemned him to some years of imprisonment as a war criminal. During 1954 former nationalistic phrases revived, it was claimed that Völklingen must be restored to the old Saarland family of the Röchlings, and Hermann Röchling became a martyr. In a letter annexed to the Saar Statute in October 1954 M. Mendès-France promised that French control of Neunkirchen and Völklingen and of the Röchlings' bank and some branches of the big German banks in the Saar<sup>1</sup> would be lifted before the day of the referendum. In the case of Neunkirchen this occurred in the last week before the plebiscite. About Völklingen there was to be a good deal of trouble yet. Late in 1954 talk of negotiations in Switzerland for the sale of Völklingen, possibly to a French group which included Schneider-Creusot, helped to cause a brief metal-workers' strike aimed against the French.<sup>2</sup> In April 1955 the French and German Governments bought Völklingen from the Röchling family for 200 million Swiss francs. It was whispered that the Röchlings had been coerced and then cheated by the German Government, since Völklingen, it was claimed, was worth much more than that sum. When Hermann Röchling died in August 1955 at the age of eighty-two, it was said that he had died of a broken heart. All this, as somebody—a sceptic who probably voted against the Statute in the end—said, was excellent grist for the anti-Statute mill. Nevertheless, if the Catholic clergy had followed Dr Adenauer's example in recommending the provisional acceptance of the Statute to the population of the Saar, and if the pro-German parties had not rebelled against the Chancellor of the German Federal Republic over this, there is no reason to suppose that a small majority of the Saarlanders would not have voted in favour of the Statute, though with many abstentions and spoil papers.

#### THE PLEBISCITE CAMPAIGN

The campaign against the Statute was unleashed at the end of

<sup>1</sup> The text of his letter referred to 'ces séquestres', but these were the institutions concerned.

<sup>2</sup> At this time over half the Saar metal-workers, and until May 1953 all the miners, were the employees of the French authorities.

July 1955, and was almost immediately supported by the branch of Dr Adenauer's own party and indeed led by its chair Dr Hubert Ney. It was disquieting, not so much because it fired an accumulation of genuine indignation, but rather for several specific and disagreeable reasons. In the first place, Dr Ney and the other pro-German party leaders united in the *Deutscher Heimatbund*, having rejected the injunctions of Bonn, were firmly in the anti-Western camp. The East German Government issued directives to wreck the Statute because, by placing the Saar under the authority of W.E.U., it threatened to augment the power of the alliance; East Berlin also arranged for youthful emissaries to be sent to join forces in the nationalistic baiting of Herr Hoffmann, which caused the disturbances in August. In the second place, the opponents of the Statute deliberately mis-stated its terms. They set out to convince the audiences at their meetings that the Statute would be permanent, suppressing its ninth clause according to which there would be another referendum at the time of the final treaty.<sup>1</sup> They declared that part B of clause XII, which aimed at the opening of the Saar-German frontier by successive stages, could never be operated because of the new Franco-Saar economic convention signed on 3 May 1955. This, too, had been negotiated in accordance with part A of clause XII, but the pro-Germans claimed that it re-affirmed the economic dominance of France in such a way as to block adjustments in favour of Germany. They persisted in this assertion in the face of the official Franco-German announcement from Luxembourg on 5 October that the economic negotiations between France, the Saar, and Germany would begin in February 1956.

In the plebiscite campaign of 1934-5 it had suited Hitler not to have the French abused, and the Nazi leaders at that time attacked the League of Nations rather than France. In 1955, on the other hand, the pro-German leaders whipped up anti-French feeling all they were worth. It was not an encouraging spectacle to observe the excited applause which came from the audiences, especially from the women: when the orator added, with an eye to the international press, that of course his party was not anti-French, and believed that relations with France would be easier if the Statute were rejected, a chilly silence followed the vociferous applaus-

<sup>1</sup> Clause IX specifically stated that the population of the Saar 'must hereby without any restrictions express their opinion'. (French text: 'qui devra pouvoir se prononcer sans aucune restriction').

Simple people would tell one (because someone had told them) that the situation was perilous because 40 per cent of the voters were foreigners—most of them French—who would vote in favour of the Statute. This was sheer nonsense but true to the Nazi technique of creating a danger—in their day more often attributed to the Jews or Communists—‘in our midst’.

It might have been supposed that the pro-German parties would have made much of the fact that, whereas in 1935 it was a Germany in the clutches of a cruel and over-centralized tyranny for which the Saarlanders were bound to vote unless they voted for the *status quo* or for France, in 1955 Germany was both a free and a federal Republic. In fact Dr Ney and Kurt Conrad, the leader of the pro-German Socialists, avoided a comparison with 1935, while Dr Heinrich Schneider deliberately evoked the recollection of twenty years before inasmuch as he exhorted his followers to do the same thing again and reject the Statute as the *status quo* or League of Nations regime had been rejected. Dr Schneider was the leader of the smaller Democratic Party which lacked the mass support of the *C.D.U. Saar* party and the German Socialists, but he himself was the most successful of the pro-German speakers, and the campaign against the Statute was a personal triumph for him.

The difference of the Germany of Adenauer from that of Hitler was not merely illustrated by the pro-Statute admonitions of the Federal Chancellor, but also by the frankness with which many people up to the eve of the polling were ready to admit that they intended to vote in favour of the Statute. In 1935 the dissidents were mostly too much afraid of the Nazis either to vote against them or to speak of doing so. The difference, moreover, cannot be attributed to the W.E.U. Plebiscite Commission in the Saar, which was almost exactly as unimpressive as the representatives of the League of Nations in 1935. If there was a difference here, the presence of a few special police officers and of British, Italian, Swedish, and Dutch troops in the Saar in 1935 gave the League of Nations slightly more substantial backing than invisible N.A.T.O. contingents and French soldiers in Lorraine gave to W.E.U. in 1955. This year, moreover, the voters in the Saar were on the whole more cynical and more frankly concerned with their own personal interests. People dependent upon light industry such as the porcelain factory of Villeroy and Boch at Mettlach<sup>1</sup> or the

<sup>1</sup> Mettlach was one of the three or four places where the Statute gained a



manufacture of confectionery, both things well protected French Customs duties from German competition, often pronounced quite openly that they would vote in favour of the Statute because it suited them, while peasants who resented competition from French agriculture would frankly give this as their reason for voting against it.

Besides much 'straight' German sentiment against the Statute there was also a certain amount of Catholic internationalist feeling in its favour. The number of people who did not make up their minds until the last few days before the voting was surprisingly high. It should be added that, if there was no terrorization of Nazi kind, the tradition of intimidation by the Stumms in the days before 1914, of Hitler later, and then of Hoffmann's not only but arbitrary regime, had left a smell of fear in the air all the same so that there were still many people who were careful not to get themselves away. In view of the flavour of the pro-German campaign, and with memories of 1935 in the minds of those old enough to remember it, people were certainly more afraid of pronouncing themselves for the Statute than against it: the bigger 'yes' vote, 30,858 to 48,063 'noes' in Saarbrücken, a town with 121,000 inhabitants where one's neighbours did not know everything about one, seemed to confirm this. The figure of nearly 40 per cent 'yes' votes there, as compared with only 32.3 per cent in the territory as a whole, was the more interesting because there are very few Protestants in the Saar except in Saarbrücken, and the Protestant Saarlanders were mostly followers of Dr Schneider and probably pro-German to a man.

Perhaps the most important influence upon the vote in the Saar was that of the Catholic clergy, who were extremely cautious in defining their attitude. In 1935, although a small group of Catholics of whom Johannes Hoffmann was already the leader, had declared against Hitler's Germany, it was known that most of the priests told their flocks to vote in its favour; it was even known that some of the clergy did so because they hoped the Saar would strengthen the Catholic element in the Reich at that time—a German Catholic, they said, must face persecution by the Nazis. In 1955 the Apostolic Visitor, Monsignor Schuliens, made a neutral announcement exhorting each Catholic to obey his conscience. A good many

---

majority, with 1,503 'yes' votes to 1,245 'noes'. Here the German partner of the firm, Herr von Boch, had stated publicly that the defeat of the Statute would bring unemployment.

priests supported Hoffmann's *Christliche Volkspartei* and the European idea; some who thought Hoffmann too closely associated with France nevertheless approved of Dr Adenauer and W.E.U. and hoped for a fusion of the *Christliche Volkspartei* with the *C.D.U. Saar* party if Hoffman resigned. But although Monsignor Schuliens was established in the Saar, the territory still belonged to two German dioceses, the larger formerly Prussian portion to that of the Bishopric of Trier, and the smaller formerly Bavarian part to that of the Bishopric of Speyer. Various straws in the wind indicated that the Bishops discreetly encouraged the pro-German campaign of Dr Ney's party which might after all ensure or hasten the return of their lopped-away diocesan territory. Many of the Saarland industrial workers, though they have become too prosperous to cultivate their little plots of land as assiduously as they used to, still live in the small towns and villages of the territory. Here the priest mostly decides how people will vote, especially in such perplexing circumstances. On election or referendum Sundays the normal routine is to proceed from Mass to the polling-station, with the priest's injunctions in mind.

#### AFTERMATH OF THE PLEBISCITE

Although Herr Hoffmann had foolishly—since he was not believed—announced that if the Statute were rejected he would reimpose the state of affairs preceding it, he did in fact resign immediately the result of the voting was made known. The position continued to be an anomalous one; there was no head of the State to step into the breach, only the W.E.U. Electoral Commission, which had presumably inherited some of the authority of the French High Commission in the Saar, although there was a co-heir to be consulted in the person of the new French Ambassador.<sup>1</sup> At all events, a caretaker Government of men supposed to be non-political experts was installed under Herr Heinrich Welsch, of the Saar Insurance Office, as Minister President. This was approved by all but the four Communist members of the existing Landtag, which agreed to a dissolution on 17 December and fresh elections for the following day.<sup>2</sup> By the beginning of November the caretaker Government had already shown itself to be definitely pro-

<sup>1</sup> Consultations took place also with Dr Thuerfelder, an expert from the Foreign Office in Bonn.

<sup>2</sup> This represented a compromise, the pro-German parties pressing for 4 December, the date fixed had the Statute been accepted, and the others wishing to wait until the New Year.

German, and made appointments which, as Monsieur Pinay probably made plain when he visited Dr Adenauer on 13 November were anything but welcome to the French. The plebiscite campaign had initiated a drive which gathered momentum from own success and seemed likely to wipe out the autonomous parties. But while the autonomous Socialists melted away, the *Christliche Volkspartei* prepared to sell its position dearly, and on 7 November established a *Direktorium* to fortify Herr Hoffmann who for lack of other speakers had fought the battle of the plebiscite almost single-handed and was worn out by it. The powers of the W.E.U. Commission were prolonged to cover the election campaign.

Some commentators have welcomed the decisive rejection of the Saar Statute on 23 October 1955 as clearing the West European air: nothing now remains, they say, but to organize the integration of the territory of the Saar as an additional *Land* in the Federal Republic and to give the appropriate compensation to France. Will the new situation prove easier than the old? Will it not prove a good deal more difficult than the position had the Statute been accepted?

In the first place, the referendum in the Saar and the campaign which preceded it have provided a reverse for Dr Adenauer and the policy for which he stands, and this at a critical moment. Since the signature of the Austrian treaty there have been signs of a trend in Western Germany away from N.A.T.O. and W.E.U. and in favour of German reunification at all costs. This has meant a revival of neutralism and a tendency to wish to 'get together' with East Germany without regard for the opportunities this may offer to the major Communist strategists. The whole Saar affair, presented as a first step towards reunification by popular vote, has encouraged these developments: success was achieved in conjunction with Communist propaganda directed against W.E.U. as an anti-national barrier and by stirring up emotions similar to those upon which the Nazi system was based. A current is flowing which might cause Dr Adenauer's illness to bring Dr Adenauer's eclipse.

In the second place, we are faced with the prospect of fresh and wearisome negotiations between Paris and a perhaps less conciliatory Bonn. The question of the Saar arose because France was bitterly aware at the end of the first World War of her inferiority *vis-à-vis* German heavy industry; with the return of Lorraine the French felt themselves short, not of iron, but of coal. Since the

second War and the creation of the France-Saar Union, France has come to depend upon Saar exports of coal and steel to adjust her balance of payments. The French, partly owing to their caution with regard to capital investment, have retained a protectionist mentality. It was, therefore, difficult for them to face the Schuman plan for a common market in coal and steel; even in 1950, when West German production in heavy industry was nowhere near its 1955 level, the French insisted that the condition of their participation in the Coal and Steel Community was their economic union with the Saar which approximately balanced their heavy industrial production with that of Western Germany. The production of coal and steel in Lorraine has been modernized and increased in the last few years, but not on the scale of development in Western Germany. The French negotiators may feel that they must look still further ahead and think in terms of all-German production. It will in no case be easy to find a substitute for the Saar in the economy of the French Union.

E. W.

## *The Future of the Central African Federation*

THE Federation of Rhodesia and Nyasaland is just over two years old, having begun its formal existence on an overcast October day in 1953. Most federations include a great deal of patchwork, but the Constitution which was engineered in the high plateaulands of Central Africa is shakier in appearance than most. A conference to discuss its revision must, by the terms of the Constitution itself, sit not earlier than 1960 and not later than 1962. There is however provision for changing it before that if the legislatures of the three territories which comprise the Federation agree. Proposals for revising the Constitution have in fact been made constantly since its inception, though they have been discouraged by the Federal Party Government of Lord Malvern. Recently talk of reform has been increasing.

Most of the past proposals have supported the formation by some means of an autonomous, unitary State on the South

African model, and aim to strengthen still further the domination of the country by the white minority. For the Federation, unlike its southern neighbour, has not attained equal status within the Commonwealth, though its Prime Minister attends Commonwealth Prime Ministers' conferences and relations with the United Kingdom are conducted through the Commonwealth Relations Office instead of the Colonial Office. The Federation is constitutionally dependent on Britain in three separate ways:

1. Federal Assembly Bills which differentiate between Africans and Europeans to the former's detriment, and Bills which seek to change the Constitution, are subject to the veto of the United Kingdom Parliament.

2. The two northern Protectorates, Northern Rhodesia and Nyasaland, still have typical colonial Governments under the control of the Colonial Office, though they have been shorn of half their powers and have lost command of the military.

3. In the 'self-governing colony' of Southern Rhodesia, Bills which discriminate against Africans are subject to a veto exercised on the initiative of the Secretary of State for Commonwealth Relations. This veto has never been used since the colony gained self-government in 1922. It has not prevented Southern Rhodesia from building up a system of segregation which outdoes South Africa's *apartheid* in thoroughness.

On finance, trade policy, and defence, however, subjects which in true dependencies are usually reserved to imperial Governments, the Federation has a free hand.

Perhaps because of this freedom, or more probably because of Southern Rhodesia's distaste for the present Government in South Africa, is strong and British patriotism is proverbial, the feeling for independence cannot be compared with that in Australia or South Africa or even in Kenya. It is strongest among the Europeans in Northern Rhodesia, who fear that some future British Government will turn their country into a Gold Coast, and weakest among the Africans in Nyasaland, who would still prefer colonial rule to Rhodesian rule. Nevertheless a demand for quicker autonomy is a good political gambit for any European oppositional group and will probably be employed increasingly.

The Europeans in the Federation are unevenly distributed, and are concentrated on the highest ground. There are at present 116,000 of them in Southern Rhodesia, where the commercial centres and the capital are situated, 62,000 in Northern Rhodesia

mostly along the railway line and in the Copperbelt, and only 5,600 in Nyasaland. Very roughly, one-third of the Europeans were born in Europe (mainly in the British Isles), one-third in South Africa, and one-third in Rhodesia. There are about 2 million Africans in each of the Rhodesias and  $2\frac{1}{2}$  million in Nyasaland. Other races, mostly Gujeratis and Euraficans, total 13,000, 6,000, and 9,000 in the three territories respectively.

The public debate on federation, which lasted from 1949 to 1953, was conducted against a background of agitation by Africans in Northern Rhodesia and Nyasaland, who refused to send delegates to take part in the conferences. Their chief objection was to domination by settler-controlled Southern Rhodesia. They had, and still have, the strong legal justification that their countries were not British by right of conquest but became protectorates of Queen Victoria by consent of the chiefs and people. Britain, they say, cannot transfer this duty of protecting to another Government of the Queen in Salisbury without their consent. This they will not give. Of Nyasaland's 105 chiefs, 85 petitioned against federation. So did most of Northern Rhodesia's, with the important exception of the Paramount Chief of Barotseland, who gained special recognition of his swamp-ridden lands as a separate protectorate. It was his ancestor who signed the original concession which gave Northern Rhodesia to the British.

At present Britain still retains, through the territorial Governments, control over land, African affairs, and labour in the protectorates. When the time comes to reform the Constitution, she may find it legally difficult to transfer the first two of these responsibilities to the Federal Government. She might continue to exercise them, or she might, of course, simply let them atrophy.

In the two years since federation was established, how far has African opposition to it diminished? In Southern Rhodesia it was never genuine, for the Africans there stood to gain by the change. In Northern Rhodesia Africans appear to have accepted federation *de facto*, to judge by their leaders' statements. In the economic and social fields Africans in the north have the same problems and interests as those in the south. Separatism is not strong, and Africans are elated with their rising standard of living and what it brings them. But distrust of the European goes very deep, and a European move towards closer association would probably call forth a repetition of the anti-federation agitation of 1953.

Sir Roy Welensky, of Northern Rhodesia, who is expected soon

to succeed Lord Malvern as Premier, seems to have recognized the dangers. In November 1954 he spoke out against demands for a changed status on the ground that it would give Africans the idea that it was in their power to give or refuse their consent. 'Stature, not status, should be our aim,' he said, arguing that they had the first the second could not be refused them. How Sir Roy may be able to maintain this position is another matter. Throughout his career he has shown himself to be sensitive to the pressure from the Right wing.

In Nyasaland, on the other hand, there is a very strong separatist movement as well as a new-found distrust of Europeans. Before federation neither Nyasas (Africans) nor Nyasalanders (Europeans and Asians) considered themselves part of the Rhodesias, though thousands of the former go there annually to work. The structure of society is more akin to that of East than of Central Africa, and by road and rail Nyasaland is separated from the Rhodesian centres by many arid miles of Portuguese territory. Closer union between settlers in the two Rhodesias was the first theme of talks which began in 1949 between Sir Roy Welensky and Godfrey Huggins and which eventually led to federation. Nyasaland was added later on the insistence of Britain; the small protectorate was not judged economically viable, and Britain did not relish the prospect of being responsible for another Basutoland or for having to provide the labour for a foreign territory while receiving few of the benefits in return.

Nyasas are at present held to the Federation mainly by the pressure of African interests of their leader, Mr Manoah Chirwa, one of the two members in the Federal Parliament. A strong Nyasaland African Congress element in Blantyre opposes any co-operation whatever with federal institutions. Chirwa, a brilliant, bull-vocal orator, gains the votes of all the meetings he addresses, but when his back is turned his critics are listened to.

There is no doubt of the Nyasas' strong opposition to anything to do with federation, which has become a swearword in the Chinyanja language. They distrust all Rhodesians, even liberal District councils with authority over roads and bridges, in which Africans have a majority, are suspect because they were introduced after federation. Well-intentioned societies such as the Capricorn and the Inter-racial Association of Rhodesia are boycotted for the same reason, while the Anglican church is criticized for setting up a new archiepiscopal province of Central Africa.

## CRITICISMS OF THE CONSTITUTION

The arguments for reforming the Constitution fall into three groups, roughly corresponding to the ideologies of the two European parties, the Federal and the Confederate parties, and to the attitude of the more moderate Africans. The Confederate conception, and the allied ideas on which Mr Guillaume van Eeden has recently won the Northern Rhodesian seat of Kafue, are based on a bargain between the Europeans on the one hand and the Africans and Whitehall on the other. The high part of Southern Rhodesia and the Copperbelt and line of rail in Northern Rhodesia would become white man's country (though Mr van Eeden would allow a few non-whites on a common roll) with independence like that of South Africa. The rest, including Nyasaland, would form three or four separate states or dependencies under Federal or Colonial Office control. Those Confederates who admit that the Africans and Whitehall would not at present agree to such a scheme visualize it as an imposed settlement—a bargain not with the black man but with the white man's conscience.

The Federal Party viewpoint is Rhodesian and practical. A white population the size of Plymouth's cannot, they say, afford four Governors, four Parliaments, four Prime Ministers or leaders, and four Oppositions. The division between federal and territorial business is unrealistic. Thus, for example, the tsetse fly is a Federal Government responsibility if it bites a European-owned cow but a territorial matter if it bites an African-owned cow. A Copperbelt worker comes under a Federal health service when he goes into hospital but may return to the care of the Northern Rhodesia Government if the disease is diagnosed as silicosis. Finally, the Federal Party complains that the British Government introduces in Northern Rhodesia and Nyasaland methods of racial representation which do not conform to the political ideas of Rhodes' 'equal rights for all civilized men', drawn from the liberal Cape and borrowed by Southern Rhodesia.

Moderate Africans and liberal Europeans criticize the Constitution on a further ground—that it is not succeeding in its aims of promoting partnership between the races and of preventing racial discrimination. In agitated times, African politicians tend to be schizophrenic about schemes to improve the federal system. In any future discussions the initiative in pressing this point of view may therefore rest, as in 1949-53, on Britain.

Machinery for the protection of African interests falls into four



parts: their share in the common roll electorate, represents the Federal Parliament, reserve powers under the control African Affairs Board, and representation in the legislative councils. How far are each of them performing this function?

Most people would write off the influence of Africans on the common roll as negligible. There are only 441 Africans (and other non-whites) in the Southern Rhodesian common roll of 48,000, and about 8 Africans and 1,000 Indians in the Northern Rhodesian common roll of 15,000. Yet the conception of a segregation bar in place of a colour bar does exercise a strong influence on those who, for whatever motive, support it. It has also played a strong part in keeping Southern Rhodesian African intellectuals the most loyal and temperate body of their kind in Africa. It is true that in any conflict of interests between the races, Southern Rhodesia's present common roll does not provide any defence at all for African interests.

In the Federal Assembly of thirty-five, Africans of the Federation have nine representatives, two Africans and one European from each territory. Those from Southern Rhodesia are elected by the common roll and support the Federal Party. Presumably if the Confederate Party wins in Southern Rhodesia at the next election, the African representatives would be elected to support segregation. The Confederates put up no African candidates at the last election, for the sobering reason that they could find only the 441 Africans to support their policy. There has thus emerged an unofficial group in opposition, consisting of representatives of the Africans from the two northern territories. They sometimes have the support of the Southern Rhodesian representatives and sometimes of Dr Alexander Scott, independent member for Lusaka. But they are in no way capable of forming a possible alternative Government. In Parliament they have accomplished practically nothing themselves in the past two years, and they have had no influence on the policy or legislation of the Government. They have been less effective than was the liberal group under Smuts in South Africa, and that group of liberals failed and by its failure caused the present distrust of European liberals among Africans there.

The reasons for failure are similar. The two-party parliamentary system makes each party lean towards the other's policies because each is anxious to win the marginal votes from the other side. In the Federal election system there are no votes to be won from

Africans. It is the right-wingers, with leanings towards the Confederates, whom the Government party has to woo. The Confederates, though at the last election they did badly in Northern Rhodesia and ridiculously in Nyasaland, won three-eighths of the Southern Rhodesian vote. Accordingly, though its only representatives in the House are its leader, Mr Dendy Young, and Mr van Eeden (both representing mainly Afrikaans-speaking constituencies), they exercise much more influence on Federal Government policies than do the nine African representatives.

How could this political malformation be mended? To increase the number of African representatives would not alter it; they would still remain an unassimilated part of the political system, merely forcing the others to unite. If they came to outnumber the Europeans, the positions would merely be reversed. Not till the basis of electoral support is similar for both races can real approximation to a unified party system be hoped for.

The African Affairs Board is a standing committee of the Federal House, consisting of one African and one European representing Africans from each territory. If the Board declares that any Bill is a differentiating measure, defined as one by which Africans are subjected to 'disabilities disadvantageous to them to which Europeans are not also subjected', then the Board has the power to 'cause it to be reserved for the signification of Her Majesty's pleasure'.

In effect this is the old Southern Rhodesian veto against discrimination, with the practical difference that the initiative for employing it comes not from a U.K. Secretary of State (who naturally hesitates to interfere in a Commonwealth country's affairs on his own initiative) but from a board of Rhodesians. It has not been used, and it seems likely that it never will be. On one occasion only the Board succeeded in changing the wording of a Bill.

Yet there have been three acts at least which might well be considered discriminatory. First there was an act passing into Federal law the existing Southern Rhodesian railway law, including a clause permitting segregation. Secondly, a measure setting up cadet forces was admittedly intended to apply to European schools and not to African schools. Thirdly, the civil service code allowed for lower pay for Africans than for Europeans, though both have the same qualifications—for example, an African doctor will be paid less than a European doctor with the same qualification because the latter could and the former could not be posted to an

area where there were European patients. This example was given by Lord Malvern himself in the debate this year.

In none of these cases did the African Affairs Board call for a Bill to be reserved. This was because there was nothing in the actual wording of these Bills to show that they would be interpreted to the detriment of Africans rather than of Europeans. Even though the intentions of the Government were admittedly discriminatory, and even if the administration of the Act proved *post hoc* to be so, the Board has no power to call for the Bill. So at least the majority of the Board argued.

The African Affairs Board was clearly conceived of as a means to prevent laws discriminating against Africans, and in this function it would seem, it has failed.

In the legislative councils representation by race produces the same faults as in the Federal Parliament, Europeans and Africans being left in attitudes of permanent hostility to one another. It is softened by the presence of a third party, the official member representing Whitehall. In Nyasaland, too, pre-federation traditions of racial goodwill still hold. Its legislature recently saw the spectacle of the European leader, Mr Michael Blackwood, combining with the African members to demand more jobs for Africans. The Nyasaland Europeans last year attempted to break the impasse of racial representation by substituting a common roll in which the African element should be artificially enlarged. This suggestion was rejected by the then Colonial Secretary.

However, the legislatures in the northern territories do provide the African with an opportunity not only to defend his existing interests of land and tribal government, but also to expand in the social, economic, and political fields. African representatives in both territories are at present unusually moderate-minded. Since the mass of the people are new to British electoral systems, and have no means as yet have confidence in their representatives, the legislature since they are returned by an involved system of indirect election. As a result Africans, when disturbed politically, still prefer to use the weapons of boycott and mass demonstration or rioting—the 1954 Congress campaign against the colour bar in North Rhodesian butchers' shops. Congresses in both protectorates are now preparing to enter the political field, and perhaps in time the lack of confidence will disappear.

Broadly speaking, therefore, the conclusion of this survey is that African desire for political self-expression is likely, and

the present Constitution and Government, to be frustrated in the federal sphere, to be less frustrated but not yet at home in the protectorate legislatures, and to be most at home in the revolutionary methods of riot and strike. In so far as Africans seek constitutional means of redress at all (and they are a law-abiding people) they are perhaps logical at present in preferring the old British colonial system to the federal one. They will no doubt accept federation in the end, but nothing it has yet offered them is likely to make them do so by choice.

#### GROUND'S FOR OPTIMISM

This survey has so far dealt only with political machinery and its defects. But machinery is not all-important. What has been done towards fulfilling the promise of partnership which is written into the Federation agreement?

The Federal Party formally supports a policy of partnership, but in fact it has been used, like the Federal Government Acts, to mean what those who used it wanted it to mean. The Confederate Party, which opposes partnership, accuses the Government of hypocrisy.

More recently Sir John Moffat, of Northern Rhodesia, has tried to give a generally accepted meaning to the word, by seeking the highest common factor of agreement between Europeans and Africans. The gist of this is the agreement by both races that neither should be in a position to dominate the other; that the final objective should be a common roll, but that in the meantime special protective arrangements are necessary; and that everyone shall have the right to progress according to his ability. In 1954 Sir John Moffat obtained agreement from the Northern Rhodesian Legislative Assembly for these principles. Now he is to introduce them into the Federal Assembly in the 1956 session. Sir Roy Welensky has hinted that the Government may accept this minimum statement of principles.

Far more important than statements, however, is goodwill. Has there been evidence of more or less goodwill between the races since federation? Of African goodwill towards Europeans there has probably been less, because of the incidents of the federation agitation itself, the eleven deaths, the blacklegging (as they allege) of the African strike in the Copperbelt in February. Whether these sores heal or fester depends on European attitudes.

There is however, apparently, an increase in goodwill among

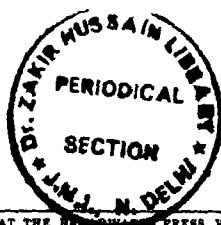
Europeans towards Africans, and therefore more hope for a ship. Evidence of the new attitude is the sudden growth of racial Associations in towns throughout the Federation. These something more advanced than the welfare organizations preceded them, since their object is to campaign for reform generally they wish to get rid of the colour bar.

The reformers are weak in the Federal Assembly, which contains all the pre-war politicians, but stronger in the territorial Parliaments and legislative councils, whose quality and effect are generally regarded as higher. Surprisingly, reformers have been able to achieve most in Southern Rhodesia, where the Minister, Mr Garfield Todd, once a New Zealand missionary made small but significant assaults on the segregation structure. During his premiership, African journalists and barristers have been admitted to parity with Europeans, African trade unions advanced further towards recognition, African home-ownership allowed in African suburbs, and an inter-racial hotel and an inter-racial club have been permitted to open in Salisbury. More importantly, African land tenure is to be gradually converted from tribal holdings to freehold.

Of late Mr Todd has been critical of the slackness and slowness of the Federal Government, and he may yet emerge as a powerful left-wing opponent of the Federal Party. If Rhodesia is to become a two-party system, some people feel, both parties should accept the partnership principle. Otherwise the Confederates are the only alternative to the present Government.

There is one general characteristic of Rhodesian politics which leads to optimism about its future—the same quality which makes them sometimes dull. It is that the Rhodesians are politically unexcitable people, content to let things be, if possible, and to exacerbate race situations more than necessary. It is the best of their police that they have never killed a man in civil disorder since 1897. That, in Africa, is something to be proud of.

F



## AGENTS for 'THE WORLD TODAY' and 'CHRONOLOGY OF INTERNATIONAL EVENTS'

Orders may be sent to the addresses given below. Rates are for annual  
subscriptions and are given in the currencies of the countries concerned.

	<i>The World Today</i>	<i>Chronology (including index)</i>
<b>AUSTRALIA</b>		
Australian Institute of International Affairs, Kurrajong House, 177 Collins Street, Melbourne, Victoria	32s.	32s.
<b>PAKISTAN</b>		
Pakistan Institute of International Affairs, Frere Hall, Karachi	Rs 12	Rs. 12
<b>SOUTH AFRICA</b>		
South African Institute of International Affairs, 88 Fox Street, Johannesburg	25s.	25s.
<b>UNITED STATES and CANADA</b>		
Royal Institute of International Affairs, New York Publications Office, 345 East 46th Street, New York 17	\$5 00	\$5.00

### THE ROYAL INSTITUTE OF INTERNATIONAL AFFAIRS

The Institute was founded in 1920 and is both unofficial and non-political. Its objects, as set out in its Royal Charter, may be briefly summarized as follows:

To encourage the scientific study of international politics, economics, and jurisprudence.

To facilitate the exchange of information, knowledge, and thought on these subjects, and to provide and maintain means of information thereon.

To encourage the formation of branches and committees throughout the Commonwealth and Empire.

The principal ways in which the Institute fulfils these objects are research by individual authorities or by groups of experts, publications embodying these and other researches; meetings and private discussions addressed by leading authorities; an Information Department which supplies the facts and figures on current international questions; a comprehensive collection of British and foreign Press Archives from 1915 onwards, and a Reference Library on international affairs.

Membership of the Institute, which is limited in number, is confined to British subjects who must possess an expert or a specialized knowledge of some aspect of international affairs. Candidates for membership must be nominated by two members known personally to them.

The Institute is precluded by its Charter from expressing, as a body, an opinion on any aspect of international affairs, a ruling made in order to safeguard its work from propaganda or political influence and to promote the free expression of individual opinion.

# Thoughts after closing time?

Accession Number  
..... 170359  
Date..... 16.9.46

It is some years now since Mr. Cyril Connolly announced that it was "closing-time in the gardens of the West". It is still anyone's guess how far this verdict was correct. What has become clear to a great many thinking people lately, however, is that their best chance of understanding the way the world is going is by studying the lucid, factual and highly readable survey to be found every week in *The Economist*

## The Economist

**SPECIAL FREE OFFER to all readers of "WORLD TODAY"**

To: *The Economist*, 22 Ryder Street, St. James's, S.W.1

PLEASE SEND ME, WITHOUT CHARGE OF OBLIGATION, A COPY OF THE NEXT TWO ISSUES OF *THE ECONOMIST*. *Block letters please.*



